MORELAND W BENJAMIN
Form 4
February 22, 2010

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
MORELAND W BENJAMIN

(Last) (First) (Middle)

1220 AUGUSTA, SUITE 500

(Street)

HOUSTON, TX 77057

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
CROWN CASTLE INTERNATIONAL CORP [CCI]

3. Date of Earliest Transaction (Month/Day/Year)
02/18/2010

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
President & CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock $0.01 Par Value	02/18/2010		A		32,736 (1)	A	$ 0	772,058	D	
Common Stock $0.01 Par Value	02/18/2010		A		103,393 (2) (3)	A	$ 0	875,451	D	
Common Stock $0.01 Par Value	02/19/2010		F		4,611 (4)	D	$ 38.62	870,840	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MORELAND W BENJAMIN 1220 AUGUSTA SUITE 500 HOUSTON, TX 77057			President & CEO	

Signatures

/s/ W. Benjamin Moreland	02/22/2010
**Signature of Reporting Person	Date

Explanation of Responses:

***** If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

****** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The stock is restricted stock issued pursuant to the Company's 2004 Stock Incentive Plan, and 33 1/3% of the restricted stock generally vests (i.e., the transfer and forfeiture restrictions terminate) on February 19 of each of 2011, 2012 and 2013.

(2) The shares represent restricted stock issued under the Company's 2004 Stock Incentive Plan. The terms of such restricted stock provide for 0% to 100% of the shares to vest (i.e., the transfer and forfeiture restrictions terminate) on February 19, 2013 based upon the Company's common stock highest average per share price for 20 consecutive trading days between August 24, 2012 and February 19, 2013 ("Highest Average Price"). The percentage of shares vesting being equal to 25%, 50% or 100% of the number of shares of restricted stock granted if the Highest Average Price is $44.56, $51.23 or $66.51, respectively. (footnote continues at footnote 3)

(3) (footnote 2 continued) If the Highest Average Price is between $44.56 and $51.23, then an additional amount up to 25% shall vest on a prorata basis (approximately 3.75% per $1.00 increase in the Highest Average Price above $44.56). If the Highest Average Price is between $51.23 and $66.51, then an additional amount up to 50% shall vest on a prorata basis (approximately 3.27% per $1.00 increase in the Highest Average Price above $51.23). If the stock price is at or above $44.56 per share as of February 19, 2013 and remains at or above for 20 consecutive trading days, then a minimum of 25% of the shares of restricted stock shall vest. Any shares of such restricted stock that do not vest as described in the preceding sentence will generally be forfeited.

(4) Represents shares withheld by the issuer to satisfy the Reporting Person's tax withholding obligation in connection with the vesting of certain shares of restricted stock previously granted to the Reporting Person. Such withholding is exempt from Section 16(b) pursuant to Rule 16b-3(e).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. n="left" valign="bottom"> 3.5

(Decrease) Increase in Accounts Payable
(2.8) 0.2
Net Increase (Decrease) in Accrued Liabilities
16.4 (6.9) (24.9)
Net Decrease in Other Accrued and Current Liabilities
(6.0) (6.8) (7.2)
Changes in Non-Current Assets and Liabilities:

Increase in Other Long-Term Assets
(18.4) (37.5) (36.7)
Net (Decrease) Increase in Long-Term Liabilities
(34.8) (4.8) 9.4
Net, Other Non-Cash Adjustments
0.4 0.2 (0.3)
Net Cash Provided by Operating Activities
261.5 267.6 235.7
Cash Flows from Investing Activities:

Proceeds from Sales of Real Estate
80.2
Investments in Marketable Securities
(225.6) (223.2) (0.2)
Redemptions of Marketable Securities
198.8 152.4 4.5
Proceeds from Sales of Businesses, Net of Cash Divested
16.5 65.8 3.6
Payments for Acquisitions of Businesses, Net of Cash Acquired
(18.1) (2.0) (98.0)
Cash Settlements of Foreign Currency Contracts
2.0 (4.8) (14.6)
Capital Expenditures
(5.7) (12.1) (11.0)
Additions to Computer Software and Other Intangibles
(22.9) (16.7) (19.3)
Net Assets Held for Sales of Businesses
(9.9)
Investments in Unconsolidated Affiliates
(1.9)
Net, Other
0.9 1.4 1.3

Net Cash Used in Investing Activities	(54.1)	(39.2)	(65.3)
Cash Flows from Financing Activities:			
Payments for Purchase of Treasury Shares	(295.6)	(251.8)	(156.1)
Net Proceeds from Stock Plans	64.5	18.0	23.4
Spin-off Obligation	(9.2)		
Decrease in Short-Term Borrowings	(1.0)		
Net, Other	0.1	0.3	(0.1)
Net Cash Used in Financing Activities	(241.2)	(233.5)	(132.8)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(23.8)	19.0	9.5
(Decrease) Increase in Cash and Cash Equivalents	(57.6)	13.9	47.1
Cash and Cash Equivalents, Beginning	252.9	239.0	191.9
Cash and Cash Equivalents, End	$195.3	$252.9	$239.0
Supplemental Disclosure of Cash Flow Information:			
Cash Paid Year to Date for:			
Income Taxes, Net of Refunds	$102.4	$67.6	$47.5
Interest	$19.0	$17.2	$17.2

The accompanying notes are an integral part of the consolidated financial statements.

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THE DUN & BRADSTREET CORPORATION
CONSOLIDATED STATEMENTS OF SHAREHOLDERS EQUITY

For the Years Ended December 31, 2005

(Dollar amounts in millions, except per share data)

	Common Stock ($0.01 Par Value)	Unearned Compensation Restricted Stock	Capital Surplus	Retained Earnings	Treasury Stock	Cumulative Translation Adjustment	Minimum Pension Liability Adjustment	Mark-to-Market Interest Rate Derivative	Total Shareholders Equity	Comprehensive Income (Loss)
Balance, January 1, 2003	$ 0.8	$ (0.6)	$ 218.7	$ 284.0	$ (240.3)	$ (194.2)	$ (87.2)	$	$ (18.8)	
Net Income				174.5					174.5	$ 174.5
Treasury Shares Reissued Under Stock Options, Deferred, and Other Compensation Plans and Restricted Stock Plan (1,545,362)		(5.1)	(14.3)		51.5				32.1	
Treasury Shares Reissued Under Employee Stock Purchase Plan (108,440)					3.6				3.6	
Treasury Shares Acquired (3,759,200)					(156.1)				(156.1)	
Amortization of Restricted Stock Awards		2.1							2.1	
Restricted Stock Surrendered		0.3			(0.3)					
Change in Cumulative Translation Adjustment						16.9			16.9	16.9
Change in Minimum Pension Liability Adjustment							(5.9)		(5.9)	(5.9)
Total Comprehensive										$ 185.5

Income

Balance, December 31, 2003	0.8	(3.3)	204.4	458.5	(341.6)	(177.3)	(93.1)	48.4	
Net Income				211.8				211.8	$ 211.8
Treasury Shares Reissued Under Stock Options, Deferred, and Other Compensation Plans and Restricted Stock Plan (836,381)		0.5	(6.9)		32.0			25.6	
Treasury Shares Reissued Under Employee Stock Purchase Plan (97,295)			0.7		3.8			4.5	
Treasury Shares Acquired (4,573,640)					(251.8)			(251.8)	
Amortization of Restricted Stock Awards		1.4						1.4	
Change in Cumulative Translation Adjustment						28.3		28.3	28.3
Change in Minimum Pension Liability Adjustment							(14.0)	(14.0)	(14.0)
Total Comprehensive Income									$ 226.1
Balance, December 31, 2004	0.8	(1.4)	198.2	670.3	(557.6)	(149.0)	(107.1)	54.2	
Net Income				221.2				221.2	$ 221.2
Treasury Shares Reissued Under Stock Options, Deferred, and Other Compensation		(16.3)	(15.2)		143.5			112.0	

Plans and Restricted Stock Plan (3,046,981)										
Treasury Shares Reissued Under Employee Stock Purchase Plan (94,161)			0.8		4.2				5.0	
Treasury Shares Acquired (4,697,675)					(295.6)				(295.6)	
Amortization of Restricted Stock Awards		12.3							12.3	
Change in Cumulative Translation Adjustment						(26.7)			(26.7)	(26.7)
Change in Minimum Pension Liability Adjustment							(5.6)		(5.6)	(5.6)
Mark-to-Market Interest Rate Derivative								0.8	0.8	0.8
Total Comprehensive Income										$ 189.7
Balance, December 31, 2005	$ 0.8	$ (5.4)	$ 183.8	$ 891.5	$ (705.5)	$ (175.7)	$ (112.7)	$ 0.8	$ 77.6	

The accompanying notes are an integral part of the consolidated financial statements.

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Notes to Consolidated Financial Statements
(Tabular dollar amounts in millions, except per share data)

Note 1. Description of Business and Summary of Significant Accounting Policies

Description of Business. The Dun & Bradstreet Corporation (D&B or we or our) provides global business information, tools and insight, and has enabled customers to Decide with Confidence® for over 160 years. Our proprietary DUNSRight® quality process provides our customers with quality business information. This quality information is the foundation of our solutions that customers rely on to make critical business decisions. Customers use our Risk Management Solutions™ to mitigate credit risk, increase cash flow and drive increased profitability, our Sales & Marketing Solutions™ to increase revenue from new and existing customers, our E-Business Solutions™ to convert prospects to clients faster by enabling business professionals to research companies, executives and industries and our Supply Management Solutions™ to increase cash by generating ongoing savings from our customers suppliers and protecting our customers from serious financial, operational and regulatory risk.

Basis of Presentation. The preparation of financial statements and related disclosures in conformity with accounting principles generally accepted in the United States of America requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period reported. As discussed throughout this Note 1, we base our estimates on historical experience, current conditions and various other factors that we believe to be reasonable under the circumstances. Significant items subject to such estimates and assumptions include valuation allowances for receivables and deferred income tax assets; liabilities for potential tax deficiencies and potential litigation claims and settlements; assets and obligations related to employee benefits; allocation of the purchase price in acquisition accounting; long-term asset and amortization recoverability; revenue deferrals; and restructuring charges. We review estimates and assumptions periodically and reflect the revisions in the consolidated financial statements in the period in which we determine any revisions to be necessary. Actual results could differ from those estimates under different assumptions or conditions.

The consolidated financial statements include our accounts, as well as those of our subsidiaries and investments in which we have a controlling interest. Investments in companies over which we have significant influence but not a controlling interest are carried under the equity method. Investments over which we do not have significant influence are recorded at cost. We periodically review our investments to determine if there has been any impairment judged to be other than temporary. Such impairments are recorded as write-downs in the statement of operations.

All intercompany transactions and balances have been eliminated in consolidation.

The financial statements of our subsidiaries outside the United States and Canada reflect a fiscal year ended November 30 to facilitate timely reporting of our consolidated financial results and financial position.

Certain prior-year amounts have been reclassified to conform to the current year presentation.

Significant Accounting Policies

Revenue Recognition. Our Risk Management Solutions are generally sold under monthly or annual contracts that enable a customer to purchase our information solutions during the period of contract at prices per an agreed price list, up to the contracted dollar limit. Revenue on these contracts is recognized as solutions are delivered to the customer based on the per-solution price. Any additional solutions purchased over this limit may be subject to pricing variations and revenue is recognized as the solutions are delivered. If customers do not use the full value of their contract and forfeit the unused portion, we recognize the forfeited amount as revenue at contract expiration.

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Notes to Consolidated Financial Statements (Continued)
(Tabular dollar amounts in millions, except per share data)

We have fixed price subscription contracts for larger customers that allow those customers unlimited use within predefined ranges, subject to certain conditions. In these instances, we recognize revenue ratably over the term of the contract, which is generally one year.

Revenue related to services provided over the contract term, such as monitoring services, is recognized ratably over the contract period, which is typically one year.

For Sales & Marketing Solutions and Supply Management Solutions, we generally recognize revenue upon delivery of the information file to the customer. For arrangements that include periodic updates to that information file over the contract term, the portion of the revenue related to updates expected to be delivered is deferred and recognized as the updates are delivered, usually on a quarterly or monthly basis. For subscription solutions that provide continuous access to our generic marketing information and business reference databases, as well as any access fees or hosting fees related to enabling customers access to our information, revenue is recognized ratably over the term of the contract, which is typically one year.

We have certain solution offerings that are sold as multi-element arrangements. The multiple elements may include information files, file updates for certain solutions, software and/or services. Revenue for each element is recognized when that element is delivered to the customer based upon the relative fair value for each element. For offerings that include software that is considered to be more than incidental, we recognize revenue when a non-cancelable license agreement has been signed, the software has been shipped and installed. Maintenance revenues, which consist of fees for ongoing support and software updates, are recognized ratably over the term of the contract, typically one year, when the maintenance for the software is considered significant. When maintenance is insignificant, we recognize the revenue associated with the software and maintenance when the agreement is signed and product is shipped. Revenues from consulting and training services are recognized as the services are performed.

For E-Business Solutions, which includes Hoover s, Inc., we provide subscription solutions that provide continuous access to our business information databases. Revenue is recognized ratably over the term of the contract, which is generally one year. Any additional solutions purchased are recognized once they are delivered and billed to the customer.

Amounts billed in advance are recorded as deferred revenue on the balance sheet. The deferred revenue is recognized as the services are performed.

Sales Cancellations. In determining sales cancellation allowances, we analyze historical trends, customer-specific factors, current economic trends and changes in customer demand.

Allowance For Bad Debts. With respect to estimating bad debt allowances, we analyze the aging of accounts receivable, historical bad debts, customer creditworthiness and current economic trends.

Restructuring Charges. We account for restructuring charges initiated after December 31, 2002, in accordance with Statement of Financial Accounting Standards (SFAS) No. 146, Accounting for Costs Associated with Exit or Disposal Activities. SFAS No. 146 addresses financial accounting and reporting for costs associated with restructuring activities, including severance and lease termination obligations, and other related exit costs. Under SFAS No. 146, we establish a liability for a cost associated with an exit or disposal activity, including severance and lease termination obligations, and other related exit costs, when the liability is incurred, rather than at the date that we commit to an exit plan. We reassess the expected cost to complete the exit or disposal activities at the end of each reporting period and adjust our remaining estimated liabilities, if necessary.

Prior to January 1, 2003, we accounted for our restructuring activities in accordance with Emerging Issues Task Force (EITF) Issue No. 94-3, Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity (including Certain Costs Incurred in a Restructuring).

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Notes to Consolidated Financial Statements (Continued)
(Tabular dollar amounts in millions, except per share data)

Employee Benefit Plans. We offer defined benefit pension plans to substantially all of our employees in our operations in the U.S. as well as certain of our International operations. The plans provide benefits that are based on the employees average annual compensation, age and years of service. We also provide various health care and life insurance benefits for our retired employees. We use actuarial assumptions to calculate pension and benefit costs as well as pension assets and liabilities included in our consolidated financial statements.

Income Taxes. Income taxes are determined in accordance with SFAS No. 109, Accounting for Income Taxes, which requires recognition of deferred income tax liabilities and assets for the expected future tax consequences of events that have been included in the consolidated financial statements or tax returns. Under this method, deferred income tax liabilities and assets are determined based on the difference between financial statement and tax basis of liabilities and assets using enacted tax rates in effect for the year in which the differences are expected to reverse. SFAS No. 109 also provides for the recognition of deferred tax assets if it is more likely than not that the assets will be realized in future years. We have established a valuation allowance for deferred tax assets for which realization is not likely. In assessing the valuation allowance, we have considered future taxable income and ongoing prudent and feasible tax planning strategies.

Legal and Tax Contingencies. We are involved in tax and legal proceedings, claims and litigation arising in the ordinary course of business. We periodically assess our liabilities and contingencies in connection with these matters, based upon the latest information available. For those matters where it is probable that we have incurred a loss and the loss or range of loss can be reasonably estimated, we have recorded reserves in the consolidated financial statements. In other instances, because of the uncertainties related to both the probable outcome and amount or range of loss, we are unable to make a reasonable estimate of a liability, if any. As additional information becomes available, we adjust our assessment and estimates of such liabilities accordingly.

Cash and Cash Equivalents. We consider all investments purchased with an initial term to maturity of three months or less to be cash equivalents. These instruments are stated at cost, which approximates market value because of the short maturity of the instruments.

Marketable Securities. In accordance with SFAS No. 115, Accounting for Certain Investments in Debt and Equity Securities, certain of our marketable securities are classified as available for sale and are reported at fair value, with net unrealized gains and losses reported in shareholders equity. The fair value of the marketable securities is based on quoted market prices. Realized gains and losses on marketable securities are determined using the specific identification method.

Marketable available for sale securities classified as current assets were $109.4 million and $82.6 million at December 31, 2005 and 2004, respectively.

Restricted Assets. At December 31, 2005 and 2004, the restricted assets solely consisted of cash and cash equivalents. Such amounts are included in Other Non-Current Assets. We had restricted assets of $13.6 million and $12.5 million at December 31, 2005 and 2004, respectively, held in grantor trusts primarily to fund certain pension obligations (see Note 10 to these consolidated financial statements included in this Annual Report on Form 10-K).

Property, Plant and Equipment. Property, plant and equipment are stated at cost, except for property, plant and equipment that have been impaired for which the carrying amount is reduced to the estimated fair value at the impairment date. Property, plant and equipment are depreciated principally using the straight-line method. Buildings are depreciated over a period of 40 years. Equipment is depreciated over a period of three to 10 years. Leasehold improvements are amortized on a straight-line basis over the shorter of the term of the lease or the estimated useful life of the improvement. The property, plant and equipment depreciation expense for the years ended December 31, 2005, 2004 and 2003 was $10.9 million, $13.2 million and $17.6 million, respectively.

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Notes to Consolidated Financial Statements (Continued)
(Tabular dollar amounts in millions, except per share data)

Computer Software. We account for computer software used in our business in accordance with Statement of Position (SOP) 98-1, Accounting for the Costs of Computer Software Developed or Obtained for Internal Use. In addition, certain computer software costs related to software sold to customers are capitalized in accordance with SFAS No. 86, Accounting for the Costs of Computer Software to Be Sold, Leased or Otherwise Marketed. Capitalized computer software costs are amortized over its estimated useful life, typically three to five years, and are reported at the lower of unamortized cost or net realizable value. We review the valuation of capitalized software whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Factors that could trigger an impairment review include significant changes in the manner of use of the assets or strategic decisions made relating to future plans for those assets, as well as consideration of future operating results, significant negative industry trends or economic trends. The computer software amortization expense for the three years ended December 31, 2005, 2004 and 2003 was $22.7 million, $31.6 million and $43.1 million, respectively.

Goodwill and Other Intangible Assets. Pursuant to SFAS No. 142, Goodwill and Other Intangible Assets, goodwill and intangibles with an indefinite life are not subject to regular periodic amortization.

Instead, the carrying amount of the goodwill and intangibles is tested for impairment at least annually, and between annual tests if events or circumstances warrant such a test. An impairment loss would be recognized if the carrying amount exceeded the fair value.

We consider our segments, U.S. and International, as our reporting units under SFAS No. 142 for consideration of potential impairment of goodwill. Goodwill and indefinite-lived intangibles are tested for impairment at least annually, or if an event or circumstance indicates that an impairment loss has been incurred. We assess the recoverability of our goodwill at the reporting unit level.

For goodwill, we perform a two-step impairment test. In the first step, we compare the fair value of each reporting unit to its carrying value. We determine the fair value of our reporting units based on the market approach. Under the market approach, we estimate the fair value based on market multiples of revenue. If the market value of the reporting unit exceeds the carrying value of the net assets assigned to that reporting unit, goodwill is not impaired and no further test is performed. If the carrying value of the net assets assigned to the reporting unit exceeds the fair value of the reporting unit, then we must perform the second step of the impairment test in order to determine the implied fair value of the reporting unit s goodwill. If the carrying value of the reporting unit exceeds its implied fair value, we record an impairment loss equal to the difference.

For indefinite-lived intangibles, other than goodwill, the estimated fair value is determined by utilizing the expected present value of the future cash flows of the assets. An impairment is recognized if the carrying value exceeds the fair value. Based on our analyses at December 31, 2005 and 2004, no impairment charges related to goodwill and other intangible assets with indefinite lives have been recognized.

Other intangibles, which primarily include customer lists and relationships, resulting from acquisitions are being amortized over three to 15 years using the straight-line method. Other Intangibles amortization expense for the three years ended December 31, 2005, 2004, and 2003 was $2.5 million, $2.5 million, and $3.3 million, respectively.

The value of our customer lists in our Italian real estate data business in our International segment was negatively impacted by tax legislation enacted in Italy in 2005. This tax legislation increased the operating costs of our Italian real estate data business. For the year December 31, 2005, we recorded an impairment charge to our operating costs of $0.4 million related to customer lists.

Foreign Currency Translation. For all operations outside the United States where we have designated the local currency as the functional currency, assets and liabilities are translated using the end-of-year exchange rates, and revenues and expenses are translated using average exchange rates for the year. For these countries where we designate the local currency as the functional currency, translation adjustments are accumulated in a separate component of shareholders equity. Transaction gains and losses are recognized in

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Notes to Consolidated Financial Statements (Continued)
(Tabular dollar amounts in millions, except per share data)

earnings in Other Income (Expense) Net. Transaction gains were $1.0 million and $5.1 million for the years ended December 31, 2005 and 2004, respectively, and transaction losses were $0.3 million for the year ended December 31, 2003.

Earnings Per Share of Common Stock. In accordance with SFAS No. 128, Earnings Per Share (EPS), basic EPS is calculated based on the weighted average number of shares of common stock outstanding during the reporting period. Diluted EPS is calculated giving effect to all potentially dilutive common shares, assuming such shares were outstanding during the reporting period. The difference between basic and diluted EPS is solely attributable to stock options and restricted stock programs. We use the treasury stock method to calculate the impact of outstanding stock options.

Stock-Based Compensation. Our stock-based compensation plans are described more fully in Note 11 to these consolidated financial statements included in this Annual Report on Form 10-K. We account for those plans under the recognition and measurement principles of Accounting Principles Board Opinion No. 25 Accounting for Stock Issued to Employees (APB No. 25), and related interpretations. Accordingly, no stock-based employee compensation cost is reflected in net income for our outstanding stock options as all options granted under our plans had an exercise price equal to the market value of the underlying common stock on the date of grant. Also, no stock-based compensation cost is reflected in our net income for our Employee Stock Purchase Plan. The cost associated with our restricted stock grants, stock appreciation rights and restricted stock units is included in net income.

The following table summarizes the pro forma effect of stock-based compensation on net income and net income per share as if the fair value expense recognition provisions of SFAS No. 123, Accounting for Stock-Based Compensation, as amended by SFAS No. 148, Accounting for Stock-Based Compensation Transition and Disclosure, had been adopted.

	For the Years Ended December 31,		
	2005	**2004**	**2003**
Net Income, as reported	$ 221.2	$ 211.8	$ 174.5
Add: Stock compensation cost included in net income, net of tax benefits	7.3	6.7	1.8
Deduct: Total stock compensation cost under fair-value method for all awards, net of tax benefits	(17.5)	(17.2)	(10.5)
Pro forma Net Income	$ 211.0	$ 201.3	$ 165.8
Basic EPS:			
As reported	$ 3.31	$ 3.01	$ 2.37
Pro forma	$ 3.16	$ 2.86	$ 2.25
Diluted EPS:			
As reported	$ 3.19	$ 2.90	$ 2.30
Pro forma	$ 3.04	$ 2.75	$ 2.18

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Notes to Consolidated Financial Statements (Continued)
(Tabular dollar amounts in millions, except per share data)

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions:

	2005	2004	2003
Expected dividend yield	0%	0%	0%
Expected stock volatility	30%	30%	30%
Risk-free interest rate	4.19%	3.83%	2.94%
Expected holding period (years)	6.9	7.0	4.9
Weighted average fair value of options granted	$ 25.14	$ 21.66	$ 11.08

Financial Instruments. We recognize all derivatives as either assets or liabilities on the balance sheet and measure those instruments at fair value.

We use foreign exchange forward and option contracts to hedge cross-border intercompany transactions and certain non-U.S. earnings. These forward and option contracts are marked-to-market and gains and losses are recorded as other income or expense. In addition, foreign exchange forward contracts are used to hedge certain of our foreign net investments. The gains and losses associated with these contracts are recorded in Cumulative Translation Adjustments, a component of shareholders equity.

We use interest rate swap agreements to hedge long-term fixed-rate debt. When executed, we designate the swaps as fair-value hedges and assess whether the swaps are highly effective in offsetting changes in the fair value of the hedged debt. We formally document all relationships between hedging instruments and hedged items, and we have documented policies for management of our exposures. Changes in fair values of interest rate swap agreements that are designated fair-value hedges are recognized in earnings as an adjustment of interest expense. The effectiveness of hedge accounting is monitored on an ongoing basis, and if considered ineffective, we discontinue hedge accounting prospectively.

We entered into an interest rate derivative transaction in 2005 with the objective to mitigate the variability of future cash flows from market changes in treasury rates in the anticipation of a future debt issuance during the first half of 2006. This transaction is accounted for as a cash flow hedge. As such, changes in fair value of the swap that take place through the date of debt issuance are recorded in accumulated other comprehensive income.

Note 2. Recent Accounting Pronouncements

On December 8, 2003, the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the Medicare Reform Act) was signed into law. The Medicare Reform Act expands Medicare, primarily by adding a prescription drug benefit for medicare-eligibles starting in 2006. The Medicare Reform Act provides employers currently providing postretirement prescription drug benefits with a range of options for coordinating with the new government-sponsored program potentially to reduce this benefit, including providing for a federal subsidy to sponsors of retiree health care benefit plans that provide a benefit that is at least actuarially equivalent to the benefit established by the law (sharing strategy). In connection with the Medicare Reform Act, the Financial Accounting Standards Board (FASB) issued FASB Staff Position (FSP) No. FAS 106-2, Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003. FSP No. FAS 106-2 provides guidance on accounting for the effects of the new Medicare prescription drug legislation for employers whose prescription drug benefits are actuarially equivalent to the drug benefit under Medicare Part D and are therefore entitled to receive subsidies from the federal government beginning in 2006. The FSP was adopted for periods beginning after July 1, 2004. Under the FSP, if a company concludes that its defined benefit post-retirement benefit plan is actuarially equivalent to the Medicare Part D benefit, the employer should recognize subsidies from the federal government in the measurement of the accumulated postretirement benefit obligation (APBO) under SFAS No. 106, Employers Accounting for Post-retirement Benefits Other Than Pensions. The

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resulting reduction of the APBO should be accounted for as an actuarial gain. On January 21, 2005, the Centers for Medicare and Medicaid Services (CMS) released final regulations implementing major provisions of the Medicare Reform Act of 2003. The regulations address key concepts, such as defining a plan, as well as the actuarial equivalence test for purposes of obtaining a government subsidy. Pursuant to the guidance in FSP No. FAS 106-2, we have assessed the financial impact of the regulations and concluded that our postretirement benefit plan will qualify for the direct subsidies for an additional seven years and that our APBO decreased by, approximately, an additional $5.8 million. As a result, our 2005 postretirement benefit cost decreased by, approximately, $2.5 million. The APBO as of December 31, 2005 decreased by a total of $37.1 million and our plan is expected to be actuarially equivalent in 2006 until 2023, before the impact of the sharing strategy.

In December 2004, the FASB issued SFAS No. 123 (revised 2004) or SFAS No. 123R, Share-Based Payments, which revises SFAS No. 123, Accounting for Stock-Based Compensation, and supercedes APB Opinion No. 25, Accounting for Stock Issued to Employees. This standard requires companies to recognize in the statement of operations the cost of employee services received in exchange for awards of equity instruments based on the grant-date fair value of the award (with limited exceptions). The cost will be recognized over the period that an employee provides service in exchange for the award, which normally would be the vesting period. The standard has two transition application methods to choose from. They are the Modified Prospective application or Modified Retrospective application. Under the Modified Prospective application, compensation cost is recognized for new grants and modifications made after the required effective date, plus the remaining unrecognized expense associated with previously issued awards that are not vested as of the date of adoption. Prior periods remain unchanged and pro forma disclosures previously required by SFAS No. 123 continue to be required. Under the Modified Retrospective application, a company is required to restate its financial statements back either (a) to all prior years for which SFAS No. 123 was effective or (b) to only prior interim periods in the year in which SFAS No. 123R is adopted. In April 2005, the Securities and Exchange Commission (SEC) announced the adoption of a rule that defers the required effective date of SFAS No. 123R. The SEC rule provides that Statement No. 123R is now effective for registrants as of the beginning of the first fiscal year beginning after June 15, 2005, instead of at the beginning of the first quarter after June 15, 2005 (as prescribed originally by the FASB Statement). Accordingly, we have deferred the adoption of SFAS No. 123R until January 1, 2006 at which time we began to utilize the Modified Prospective application. Based on management assumptions, utilizing the Black Scholes model, we anticipate a full year impact to our Consolidated Statement of Operations of approximately $14 million in expenses. In addition, SFAS No. 123R also requires the benefits of tax deductions in excess of tax impact of recognized compensation expense to be reported as a financing cash flow, rather than as an operating cash flow. This requirement may reduce net operating cash flows and increase net financing cash flows in periods after adoption. The total change in cash and cash equivalents will remain the same.

In December 2004, the FASB issued FSP No. FAS 109-1, Application of FASB Statement No. 109, Accounting for Income Taxes, to the Tax Deduction on Qualified Production Activities Provided by the American Jobs Creation Act of 2004. On October 22, 2004, the American Jobs Creation Act of 2004 (the Act) was signed into law. The Act provides a deduction from income for qualified domestic production activities, which will be phased in from 2005 through 2010. In return, the Act also provides for a two-year phase-out of the existing extra-territorial income exclusion (ETI) for foreign sales. FSP No. FAS 109-1 provides guidance on the accounting implications of the Act related to the deduction for qualified domestic production activities. The deduction will be treated as a special deduction as described in SFAS No. 109. As such, the special deduction has no effect on deferred tax assets and liabilities existing at the enactment date. Rather, the impact of this deduction, if any, will be reported in the period in which the deduction is claimed on our tax return. Until final treasury regulations are issued on this matter, management will be unable to determine the full impact, if any, this will have on our effective income tax rate.

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In December 2004, the FASB issued FSP No. FAS 109-2, Accounting and Disclosure Guidance for the Foreign Earnings Repatriation Provision within the American Jobs Creation Act of 2004. FSP No. FAS 109-2 provides guidance under SFAS No. 109 with respect to recording the potential impact of the repatriation provisions of the Act in income tax expense and deferred tax liability. The Act provides for a temporary 85% dividends received deduction on certain foreign earnings repatriated from our controlled foreign corporations. To qualify for the deduction, the earnings must be reinvested in the United States pursuant to a domestic reinvestment plan established by our senior management and approved by the Board of Directors. During the third quarter of fiscal year 2005, our Chief Executive Officer and Board of Directors approved a domestic reinvestment plan as required by the Act. During the fourth quarter of fiscal year 2005, we repatriated approximately $150.0 million in extraordinary dividends, as defined in the Act, and accordingly have recorded a tax liability of $9.3 million as of December 31, 2005.

In December 2004, the FASB issued SFAS No. 153, Exchanges of Nonmonetary Assets, which amended APB Opinion No. 29, Accounting for Nonmonetary Transactions. The guidance in APB No. 29 is based on the underlying principle that the measurement of exchanges of nonmonetary assets should be based on the fair value of the assets exchanged. However, APB No. 29 included certain exceptions to that principle, including a requirement that exchanges of similar productive assets should be recorded at the carrying amount of the asset relinquished.

SFAS No. 153 eliminates that exception and replaces it with a general exception for exchanges of nonmonetary assets that lack commercial substance. Only nonmonetary exchanges in which an entity s future cash flows are expected to significantly change as a result of the exchange will be considered to have commercial substance. SFAS No. 153 must be applied to nonmonetary asset exchanges occurring in fiscal periods beginning after June 15, 2005. The adoption of this statement did not have a material impact on our financial statements.

In May 2005, the FASB issued SFAS No. 154, Accounting Changes and Error Corrections, which changes the accounting and reporting requirements for a change in accounting principle. APB Opinion 20, Accounting Changes and SFAS No. 3, Reporting Accounting Changes in Interim Financial Statements, are superseded by SFAS No. 154 which requires retrospective application to prior periods financial statements of changes in an accounting principle. SFAS No. 154 applies to changes required by an accounting pronouncement in the unusual instance that the pronouncement does not include specific transition provisions. When a pronouncement includes specific transition provisions, those provisions should be followed. SFAS No. 154 also defines a restatement as the revising of previously issued financial statements to reflect the correction of an error. SFAS No. 154 is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. We will apply the requirements of SFAS No. 154 on any changes in principle made on or after January 1, 2006. We do not anticipate that the adoption of this statement will have a material impact on our financial statements.

In January 2003, the Financial Accounting Standards Board (FASB) issued FASB Interpretation (FIN) No. 46, Consolidation of Variable Interest Entities, which amended Accounting Research Bulletin No. 51, Consolidated Financial Statements, and established standards for determining the circumstances under which a variable interest entity (VIE) should be consolidated with its primary beneficiary. FIN No. 46 also requires disclosure about VIEs that we are not required to consolidate but in which we have a significant variable interest. In December 2003, the FASB issued FIN No. 46R which made some revisions and replaced the original FIN No. 46. The adoption of FIN No. 46R in the first quarter of 2004 did not have an impact on our consolidated financial statements as we did not have any VIE s.

In December 2003, the U.S. Securities and Exchange Commission (SEC) issued Staff Accounting Bulletin (SAB) No. 104, Revenue Recognition, which supercedes SAB No. 101, Revenue Recognition in Financial Statements. The primary purpose of SAB No. 104 is to rescind accounting guidance contained in SAB No. 101 related to multiple element revenue arrangements, superceded as a result of the issuance of EITF Issue No. 00-21, Accounting for Revenue Arrangements with Multiple Deliverables. Additionally, SAB No. 104 rescinds the SEC s Revenue Recognition in Financial Statements Frequently Asked Questions

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and Answers (FAQ) issued with SAB No. 101. The adoption of SAB No. 104 in the first quarter of 2004 did not have a material impact on our consolidated financial statements.

In March 2004, the EITF Task Force reached a consensus on EITF No. 03-1, The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments. EITF 03-1 provides guidance for determining when an investment is other-than-temporarily impaired and disclosure requirements relating to those impairments. The adoption of EITF 03-1 in the first quarter of 2004 did not have an impact on our consolidated financial statements.

Note 3. Impact of Implementation of the Blueprint for Growth Strategy

Restructuring Charges

Since the launch of our Blueprint for Growth strategy, we have implemented Financial Flexibility Programs. In each of these Programs, we identified ways to reduce our expense base, then we reallocated some of the identified spending to other areas of our operations to improve revenue growth. With each Program, we have incurred restructuring charges (which generally consists of employee severance and termination costs, contract terminations, asset write-offs, and/or costs to terminate lease obligations less assumed sublease income). These charges are incurred as a result of eliminating, consolidating, standardizing, automating and/or outsourcing operations of our business. We have also incurred transition costs such as consulting fees, costs of temporary workers, relocation costs and stay bonuses to implement our Financial Flexibility Programs.

During the year ended December 31, 2005, we recorded a $30.8 million restructuring charge in connection with the Financial Flexibility Program announced in February 2005 (2005 Financial Flexibility Program) and a $0.1 million net restructuring gain in connection with the Financial Flexibility Program announced in February 2004 (2004 Financial Flexibility Program). The restructuring charges were recorded in accordance with SFAS No. 146, Accounting for Costs Associated with Exit or Disposal Activities. The curtailments were recorded in accordance with SFAS No. 87, Employers Accounting for Pension, SFAS No. 88, Employers Accounting for Settlements and Curtailments of Defined Benefit Pension Plans and for Termination Benefits and SFAS 106, Employers Accounting for Postretirement Benefits Other Than Pensions. The components of these charges and gains included:

severance and termination costs of $23.3 million associated with approximately 425 employees related to the 2005 Financial Flexibility Program and $5.7 million associated with approximately 310 employees related to the 2004 Financial Flexibility Program;

lease termination obligations, other costs to consolidate or close facilities and other exit costs of $4.7 million related to the 2005 Financial Flexibility Program;

curtailment charges of $3.1 million related to our pension plans and an immediate reduction to ongoing pension income of $3.4 million related to the U.S. Qualified Plan resulting from employee actions for the 2005 Financial Flexibility Program. In accordance with SFAS No. 87 and SFAS No. 88 we were required to recognize immediately a pro-rata portion of the unrecognized prior service cost as a result of the employee terminations and the pension plan was required to be re-measured which reduced our periodic pension income; and

curtailment gains of $3.7 million and $5.8 million related to the U.S. postretirement benefit plan resulting from employee actions for the 2005 Financial Flexibility Program and 2004 Financial Flexibility Program, respectively. In accordance with SFAS No. 106, we were required to recognize immediately a pro-rata portion of the unrecognized prior service cost as a result of the employee terminations.

At December 31, 2005, all actions under these programs were substantially completed.

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During the year ended December 31, 2004, we recorded $32.0 million of restructuring charges in connection with the 2004 Financial Flexibility Program. The components of the restructuring charges included:

- severance and termination costs of $28.4 million associated with approximately 900 employees;
- lease termination obligations, other costs to consolidate or close facilities and other exit costs of $3.1 million;
- curtailment charges (in accordance with SFAS No. 87 and SFAS No. 88) of $0.9 million and an immediate reduction to ongoing pension income of $3.3 million related to our pension plans; and
- curtailment gain (in accordance with SFAS No. 106) of $3.7 million related to the U.S. postretirement benefit plan.

In October 2004, as part of the 2004 Financial Flexibility Program, we entered into an agreement with International Business Machines Corporation (IBM) to outsource certain portions of our data acquisition and delivery, customer service, and financial processes. Under the terms of the agreement, approximately 220 employees who primarily performed certain customer service functions in the United States, Canada, United Kingdom and the Netherlands were transitioned to IBM. We made total payments of approximately $1.8 million to IBM as full satisfaction of any of our existing liabilities for future severance benefits related to the transitioned employees. The severance benefits for the employees who transitioned to IBM are included in the restructuring charges for the year ended December 31, 2005 and 2004.

During the year ended December 31, 2004, approximately 650 employees (including 220 employees who transitioned to IBM as part of the outsourcing agreement discussed below) were terminated in connection with the 2004 Financial Flexibility Program. During the year ended December 31, 2005, approximately 310 employees were terminated in connection with the 2004 Financial Flexibility Program which resulted in 960 employees terminated for this program in total.

During the year ended December 31, 2003, we recorded $17.4 million of restructuring charges in connection with the Financial Flexibility Program announced in February 2003 (2003 Financial Flexibility Program). The components of the restructuring charges included:

- severance and termination costs of $16.6 million associated with approximately 500 employees;
- lease termination obligations of $0.3 million; and
- curtailment charge (in accordance with SFAS No. 87 and SFAS No. 88) of $0.5 million related to the U.S. Qualified Plan.

During the year ended December 31, 2003, all of the approximately 500 employees had been terminated in connection with the 2003 Financial Flexibility Program.

As of December 31, 2005, we have eliminated approximately 4,900 positions which included 300 open positions and terminated (via attrition and termination) approximately 4,600 employees under our Financial Flexibility Programs since inception in October 2000. These figures include the 220 employees who were transitioned to IBM as part of the 2004 Financial Flexibility Program and the approximately 400 employees who were transitioned to Computer Sciences Corporation (CSC) as part of the 2002 Financial Flexibility Program. Under the terms of the CSC agreement, we outsourced certain technology functions in which approximately 400 of our employees who performed data center operations, technology help desk and network management functions in the United States and in the United Kingdom were transitioned to CSC.

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The following table sets forth, in accordance with SFAS No. 146, the restructuring reserves and utilization to date related to our 2005 Financial Flexibility Program.

	Severance and Termination	Pension Plan/ Postretirement Curtailment Charges (Gains)	Lease Termination Obligations and Other Exit Costs	Total
2005 Restructuring Charges				
Charge Taken during First Quarter 2005	$ 7.9	$	$ 0.3	$ 8.2
Payments during First Quarter 2005	(2.4)		(0.2)	(2.6)
Balance Remaining as of March 31, 2005	$ 5.5	$	$ 0.1	$ 5.6
Charge Taken during Second Quarter 2005	$ 8.2	$ 0.3	$ 0.8	$ 9.3
Payments/Pension Plan Curtailment Charge during Second Quarter 2005	(5.0)	(0.3)	(0.1)	(5.4)
Balance Remaining as of June 30, 2005	$ 8.7	$	$ 0.8	$ 9.5
Charge Taken during Third Quarter 2005	$ 4.1	$ 0.1	$ 0.3	$ 4.5
Payments/Pension Plan Curtailment Charge during Third Quarter 2005	(6.8)	(0.1)	(0.3)	(7.2)
Balance Remaining as of September 30, 2005	$ 6.0	$	$ 0.8	$ 6.8
Charge Taken during Fourth Quarter 2005	$ 3.1	$ 2.4	$ 3.3	$ 8.8
Payments/Pension Plan and Postretirement Curtailment, Net Charges during Fourth Quarter 2005	(2.2)	(2.4)	(3.1)	(7.7)
Balance Remaining as of December 31, 2005	$ 6.9	$	$ 1.0	$ 7.9

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The following table sets forth, in accordance with SFAS No. 146, the restructuring reserves and utilization to date related to our 2004 Financial Flexibility Program.

	Severance and Termination	Pension Plan/ Postretirement Curtailment Charges (Gains)	Lease Termination Obligations and Other Exit Costs	Total
2004 Restructuring Charges:				
Charge Taken during First Quarter 2004	$ 9.3	$	$ 0.9	$ 10.2
Payments during First Quarter 2004	(3.8)		(0.9)	(4.7)
Balance Remaining as of March 31, 2004	$ 5.5	$	$	$ 5.5
Charge Taken during Second Quarter 2004	$ 7.5	$	$ 0.5	$ 8.0
Payments during Second Quarter 2004	(4.1)			(4.1)
Balance Remaining as of June 30, 2004	$ 8.9	$	$ 0.5	$ 9.4
Charge Taken during Third Quarter 2004	$ 2.6	$	$ 0.1	$ 2.7
Payments during Third Quarter 2004	(7.1)		(0.4)	(7.5)
Balance Remaining as of September 30, 2004	$ 4.4	$	$ 0.2	$ 4.6
Charge Taken during Fourth Quarter 2004	$ 9.0	$ 0.5	$ 1.6	$ 11.1
Payments/ Pension Plan and Postretirement Net Charges during Fourth Quarter 2004	(6.2)	(0.5)	(1.1)	(7.8)
Balance Remaining as of December 31, 2004	$ 7.2	$	$ 0.7	$ 7.9
Charge Taken during First Quarter 2005	$ 5.0	$ (2.8)	$	$ 2.2
Payments/ Postretirement Gain during First Quarter 2005	(3.6)	2.8		(0.8)
Balance Remaining as of March 31, 2005	$ 8.6	$	$ 0.7	$ 9.3
	$ 0.1	$ (2.9)	$	$ (2.8)

Charge Taken during Second Quarter 2005				
Payments/ Postretirement Gain during Second Quarter 2005	(4.6)	2.9	(0.1)	(1.8)
Balance Remaining as of June 30, 2005	$ 4.1	$	$ 0.6	$ 4.7
Charge Taken during Third Quarter 2005	$ 0.3	$ (0.1)	$	$ 0.2
Payments/ Postretirement Gain during Third Quarter 2005	(3.0)	0.1	(0.1)	(3.0)
Balance Remaining as of September 30, 2005	$ 1.4	$	$ 0.5	$ 1.9
Charge Taken during Fourth Quarter 2005	$ 0.3	$	$	$ 0.3
Payments during Fourth Quarter 2005	(0.8)		(0.2)	(1.0)
Balance Remaining as of December 31, 2005	$ 0.9	$	$ 0.3	$ 1.2

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The following table sets forth, in accordance with SFAS No. 146, the restructuring reserves and utilization to date related to our 2003 Financial Flexibility Program.

	Severance and Termination	Pension Curtailment	Lease Termination Obligations	Total
2003 Restructuring Charges:				
Charge Taken during First Quarter 2003	$ 10.1	$ 0.5	$ 0.3	$ 10.9
Payments/Curtailment during First Quarter 2003	(2.6)	(0.5)		(3.1)
Balance Remaining as of March 31, 2003	$ 7.5	$	$ 0.3	$ 7.8
Charge Taken during Second Quarter 2003	$ 4.9	$	$	$ 4.9
Payments during Second Quarter 2003	(4.5)		(0.1)	(4.6)
Balance Remaining as of June 30, 2003	$ 7.9	$	$ 0.2	$ 8.1
Charge Taken during Third Quarter 2003	$ 1.6	$	$	$ 1.6
Payments during Third Quarter 2003	(4.0)			(4.0)
Balance Remaining as of September 30, 2003	$ 5.5	$	$ 0.2	$ 5.7
Payments during Fourth Quarter 2003	$ (4.6)	$	$ (0.1)	$ (4.7)
Balance Remaining as of December 31, 2003	$ 0.9	$	$ 0.1	$ 1.0
Payments during First Quarter 2004	$ (0.8)	$	$	$ (0.8)
Balance Remaining as of March 31, 2004	$ 0.1	$	$ 0.1	$ 0.2
Payments during Second Quarter 2004	$	$	$ (0.1)	$ (0.1)
Balance Remaining as of June 30, 2004	$ 0.1	$	$	$ 0.1
Payments during Third Quarter 2004	$ (0.1)	$	$	$ (0.1)
Balance Remaining as of September 30, 2004	$	$	$	$

Additionally, on January 31, 2006, our Board of Directors approved our 2006 Financial Flexibility Program (see Note 17 to our consolidated financial statements included in this Annual Report of Form 10-K).

Divestitures

As part of our Blueprint for Growth Strategy, we implemented our international market leadership strategy which has led to various dispositions over the years.

On October 4, 2004, we sold our operations in Iberia to Informa S.A for $13.5 million, primarily consisting of cash, and recognized a pre-tax gain of $0.1 million in 2004 in Other Income (Expense) Net. Our Iberian operations generated approximately $24 million of revenue in 2003. During the year ended December 31, 2005, we recorded a $0.8 million gain in Other Income (Expense) Net related to lower costs on the sale of Iberia.

On October 1, 2004, we completed the sale of our operation in France to Base D Informations Legales Holding S.A.S. (BIL Holding) for $30.1 million, consisting of $15.0 million in cash, $14.0 million in other receivables and $1.1 million in other assets. We recognized a pre-tax gain of $12.9 million in the fourth quarter of 2004 in Other Income (Expense) Net. Our French operation generated approximately $38 million of revenue in 2003. In May 2005, we were contacted by BIL Holding, regarding allegations of improper sales

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related activities involving those operations consisting primarily of debits to customer accounts for product usage without appropriate documentation (the Alleged Conduct). Based on our investigation into the Alleged Conduct, including reviewing evidence that BIL Holding made available, we concluded that the evidence presented was insufficient to substantiate the Alleged Conduct and BIL Holding withdrew its allegations. In addition, we resolved the specified post-closing purchase adjustments under the purchase and sale agreement. The final resolution of the BIL Holding allegations and the post closing purchase price adjustments resulted in charges of $3.7 million and $0.4 million, respectively, recorded within Other Income (Expense) Net and Operating Costs, respectively, for the year ended December 31, 2005.

On May 10, 2004, we sold our operations in Germany, Austria, Switzerland, Poland, Hungary and the Czech Republic (Central European Operations) to Bonnier Affarsinformation AB (Bonnier) for $25.7 million, consisting of $18.1 million in cash and $7.6 million in other receivables, of which $5.6 million has been collected in 2004 and the remaining balance of $2.0 million was collected in 2005. We recognized a pre-tax gain of $5.6 million in the second quarter of 2004 in Other Income (Expense) Net. Our Central European Operations generated approximately $52 million in revenue in 2003.

On February 29, 2004, we sold our operations in India and our Distribution Channels in Pakistan and the Middle East for $7.7 million. We received proceeds of $7.3 million (net of withholding tax), consisting of cash of $6.5 million and an investment of $0.8 million representing a 10% interest in the newly formed entity. We recognized a pre-tax gain of $3.8 million in Other Income (Expense) Net in the first quarter of 2004. In 2003, revenue generated from these operations and distribution channels was approximately $6.4 million.

During the third quarter of 2003, we sold our operations in Israel. We recorded a pre-tax loss of $4.3 million in Other Income (Expense) Net.

On December 1, 2003, we sold our operations in Sweden, Denmark, Norway, and Finland (Nordic operations) to Bonnier, for $42.7 million. The proceeds consisted of cash of $35.9 million, notes receivable of $5.9 million and another receivable of $0.9 million. As a result of our International segment November 30 fiscal year end, we recognized a pre-tax gain of $7.9 million in Other Income (Expense) Net in the first quarter of 2004. Additionally, we wrote-off the $0.9 million other receivable in the second quarter of 2004. Our Nordic operations generated approximately $50.9 million of revenue in 2003.

As part of the divestitures noted above, we established a strategic relationship in each of these countries where the buyer operates the acquired businesses under the D&B name, continues to distribute D&B-branded products and services, and provides us with data to support our global customer needs. All these divestitures were part of our International segment.

Other Transactions

During the first quarter of 2005, we sold our equity investment in a South African company. We received proceeds of $5.3 million and recognized a pre-tax gain of approximately $3.5 million in the second quarter of 2005 in Other Income (Expense) Net.

During the third quarter of 2003, we sold our equity interest in our Singapore investment and recognized a pre-tax gain of $1.8 million in Other Income (Expense) Net.

During the third quarter of 2003, we sold our High Wycombe, England, building and received proceeds of $80.2 million. We continue to occupy a portion of the building under a multi-year lease after the sale. We recognized a pre-tax loss on the sale of the building of $13.8 million within Operating Costs.

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Note 4. Acquisitions

LiveCapital, Inc.

During the third quarter of 2005, we acquired a 100% ownership interest in LiveCapital, Inc., located in San Mateo, California, with cash on hand. The results of LiveCapital Inc. s, operations have been included in our consolidated financial statements. LiveCapital, Inc. is a provider of online credit management software that enables users to manage the entire credit process within an enterprise-wide system. The acquisition is part of our ongoing effort to improve our customers access to our DUNSRight quality process, so that they can make confident business decisions. The transaction was valued at $17.2 million, inclusive of cash acquired of $0.5 million, and $0.3 million of transaction costs recorded in accordance with SFAS No. 141, Business Combinations. The acquisition was accounted for under the purchase method of accounting. As a result, we recognized goodwill and intangible assets of $11.9 million and $1.8 million, respectively. The remaining purchase price was allocated to the acquired tangible assets and liabilities on the basis of their respective fair values. The goodwill was assigned to our U.S. segment. The intangible asset acquired for $1.8 million was related to module technology with a useful life of four years. The acquisition would not have had a material impact on our results had the acquisition occurred at the beginning of 2005 and 2004, and, as such, the pro forma results have not been presented.

We are in the process of finalizing the valuation of the acquired deferred tax asset in connection with the acquisition. As a result, the allocation of the purchase price is subject to future adjustment.

Italian Real Estate Data Companies

During the second quarter of 2003, we paid $6.2 million to acquire controlling interests in three privately held Italian real estate data companies: 100% interest in Italservice Bologna S.r.l. and Datanet S.r.l. and a 51% interest in RDS S.r.l. In addition, we paid $1.9 million to acquire 17.5% of RIBES S.p.A., a leading provider of business information to Italian banks. Together with the 17.5% interest held by our subsidiary, Datahouse, we had a 35% interest at December 31, 2003. During the fourth quarter of 2004, we acquired an additional 16% of RIBES S.p.A. for $4.0 million, resulting in a 51% interest at December 31, 2004. The transaction was funded with cash on hand. These three Italian acquisitions were accounted for under the purchase method of accounting in accordance with SFAS No. 141. The purchase price for controlling interests in the three companies, together with the capitalized transaction costs allowed under SFAS No. 141, was allocated to the acquired assets and liabilities on the basis of their respective fair values. As a result, goodwill of $7.2 million was recognized and assigned to our International segment. No separately identifiable intangible assets were acquired. During the first quarter of 2004, we recorded a purchase accounting adjustment. This adjustment reduced goodwill by $0.9 million.

The impact the acquisition would have had on our results had the acquisition occurred at the beginning of 2003 is not material, and, as such, pro forma results have not been presented.

Hoover s, Inc.

During the first quarter of 2003, we acquired Hoover s, Inc. with cash on hand. The results of Hoover s operations have been included in our consolidated financial statements since that date. Hoover s provides information on public and private companies, primarily to senior executives and sales professionals worldwide.

The transaction was valued at $7.00 per share in cash, for a total of $119.4 million. In addition, we capitalized $3.3 million of transaction costs in accordance with SFAS No. 141. The acquisition was accounted for under the purchase method of accounting. The purchase price was allocated to the acquired assets and

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liabilities on the basis of their respective fair values. As a result, we recognized goodwill and intangible assets of $66.4 million and $14.5 million, respectively. The goodwill was assigned to our U.S. segment. Of the $14.5 million of acquired intangible assets, $5.1 million was assigned to trademarks and trade names that are not subject to amortization, and $9.4 million was assigned to subscriber relationships and licensing agreements with useful lives from one to five years. The impact the acquisition would have had on our results had the acquisition occurred at the beginning of 2003 is not material, and as such, pro forma results have not been presented.

In 2004, we recorded purchase accounting adjustments which increased deferred tax assets and reduced goodwill by $7.1 million. The majority of the adjustments represents recognition of additional net operating loss carryovers as a result of an Internal Revenue Service pronouncement.

All the acquisitions noted above were part of our Blueprint for Growth strategy to enhance our current business through value-creating acquisitions. In addition, all the acquisitions noted above were stock acquisitions, and as a result there was no goodwill deductible for tax purposes.

Note 5. Income Taxes

Income before provision for income taxes consisted of:

	For the Years Ended December 31,		
	2005	**2004**	**2003**
U.S.	$ 314.8	$ 253.6	$ 246.4
Non-U.S.	39.3	87.2	34.0
Income Before Provision for Income Taxes	$ 354.1	$ 340.8	$ 280.4

The provision (benefit) for income taxes consisted of:

	For the Years Ended December 31,		
	2005	**2004**	**2003**
Current Tax Provision (Benefit):			
U.S. federal	$ 105.0	$ 81.2	$ 50.5
State and local	12.4	12.2	6.9
Non-U.S.	(3.6)	25.3	17.4
Total current tax provision	113.8	118.7	74.8
Deferred Tax Provision (Benefit):			
U.S. federal	15.4	11.5	32.1
State and local	2.8	0.3	5.8
Non-U.S.	1.6	(1.3)	(6.5)
Total deferred tax provision	19.8	10.5	31.4

Provision for Income Taxes	$ 133.6	$ 129.2	$ 106.2

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The following table summarizes the significant differences between the U.S. Federal statutory tax rate and our effective tax rate for financial statement purposes.

	For the Years Ended December 31,		
	2005	2004	2003
Statutory tax rate:	35.0%	35.0%	35.0%
State and local taxes, net of U.S. federal tax benefit	4.0	3.0	3.0
Non-U.S. taxes	(5.1)	(2.1)	(1.6)
Valuation allowance	0.2	0.5	0.6
Interest	1.6	2.3	0.9
Tax credits	(0.1)	(0.9)	
Repatriation of foreign cash, including state taxes	2.6		
Other	(0.4)	0.1	
Effective Tax Rate	37.8%	37.9%	37.9%

Income taxes paid were approximately $115.5 million, $74.2 million and $59.2 million for the years ended December 31, 2005, 2004 and 2003, respectively. Income taxes refunded were approximately $13.1 million, $6.6 million, and $11.7 million for the years ended December 31, 2005, 2004 and 2003 respectively.

Deferred tax assets (liabilities) are comprised of the following:

	At December 31,	
	2005	2004
Deferred Tax Assets:		
Operating Losses	$ 63.0	$ 61.2
Fixed Assets	0.2	4.8
Intangibles	13.5	25.7
Restructuring Costs	4.0	4.1
Bad Debts	6.0	6.1
Accrued Expenses	13.9	9.4
Investments	16.4	20.3
Minimum Pension Liability	62.9	59.8
Other	0.9	4.2
Total Deferred Tax Assets	180.8	195.6
Valuation Allowance	(52.0)	(55.9)
Net Deferred Tax Assets	128.8	139.7
Deferred Tax Liabilities:		
Tax Leasing Transactions	(1.0)	(3.0)

Postretirement Benefits	(76.3)	(59.9)
Total Deferred Tax Liabilities	(77.3)	(62.9)
Net Deferred Tax Assets	$ 51.5	$ 76.8

We have not provided for U.S. deferred income taxes or foreign withholding taxes on $254.6 million of undistributed earnings of our non-U.S. subsidiaries as of December 31, 2005, since we intend to reinvest these earnings indefinitely. Additionally, we have not determined the tax liability if such earnings were remitted to

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the U.S., as the determination of such liability is not practicable. See Note 1 to these consolidated financial statements included in this Annual Report on Form 10-K for our significant accounting policy related to income taxes.

We have federal, state and local, and foreign tax loss carry forwards, the tax effect of which was $63.0 million as of December 31, 2005. Approximately $46.7 million of these tax benefits have an indefinite carry forward period. Of the remainder, $1.6 million expire in 2006, and $14.7 million expire at various times between 2007 and 2024.

We have established a valuation allowance against non-U.S. net operating losses in the amount of $42.6 million, $43.4 million, and $76.4 million, for the years ended December 31, 2005, 2004, and 2003, respectively, that in the opinion of management, are more likely than not to expire before we can utilize them.

During the fourth quarter of fiscal year 2005, we repatriated approximately $150.0 million in extraordinary dividends, as defined in the American Jobs Creation Act, and accordingly have recorded a tax liability of $9.3 million as of December 31, 2005. See Note 2 to these consolidated financial statements included in this Annual Report on Form 10-K for further discussion on the foreign cash repatriation.

Note 6. Notes Payable and Indebtedness

Our borrowings including interest rate swaps designated as hedges, are summarized below:

	At December 31,	
	2005	2004
	Liability (Asset)	
Debt Maturing Within One Year:		
Fixed-rate notes	$ 300.0	$
Other	0.8	
Total Debt Maturing Within One Year	$ 300.8	$
Debt Maturity After One Year:		
Long-term, fixed-rate notes	$	$ 301.8
Fair value of interest rate swaps		(1.9)
Other	0.1	0.1
Total Debt Maturing After One Year	$ 0.1	$ 300.0

The notes with a face value of $300 million have a five-year term maturing in March 2006 and bear interest at a fixed annual rate of 6.625%, payable semi-annually. During the first quarter of 2005, these notes were reclassified from long-term debt to short-term debt because they will mature within one year. Since the third quarter of 2001, we entered into interest rate swap agreements to hedge a portion of this long-term debt (see Note 7 to our consolidated financial statements included in this Annual Report on Form 10-K). The weighted average interest rates on the long-term notes, including the benefit of the swaps on December 31, 2005 and 2004, were 6.21% and 5.62%, respectively. The notes and the fair value of the interest rate swaps are recorded as Short-Term Debt and Long-Term Debt, at December 31, 2005 and 2004, respectively.

On September 30, 2005, we entered into an interest rate derivative transaction with an aggregate notional amount of $200 million. The objective of the hedge is to mitigate the variability of future cash flows from market changes in treasury rates in the anticipation of future debt issuance during the first half of 2006. This transaction is accounted for as a cash flow hedge. As such, changes in fair value of the swap that take place through the date of debt issuance are recorded in accumulated other comprehensive income.

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Other Credit Facilities

At December 31, 2005 and 2004, we had a total of $300 million of bank credit facilities available at prevailing short-term interest rates, which will expire in September 2009. These facilities also support our commercial paper borrowings up to $300 million. We have not drawn on the facilities and we did not have any borrowings outstanding under these facilities at December 31, 2005 and 2004. We also have not borrowed under our commercial paper program for the years ended December 31, 2005 and 2004. The facility requires the maintenance of interest coverage and total debt to EBITDA ratios (each as defined in the agreement). We were in compliance with these requirements at December 31, 2005 and 2004.

At December 31, 2005 and 2004, certain of our international operations also had non-committed lines of credit of $17.2 million and $5.9 million, respectively. We had no borrowings outstanding under these lines of credit as of December 31, 2005 and 2004. These arrangements have no material commitment fees or compensating balance requirements.

At December 31, 2005, we are contingently liable under open standby letters of credit issued by our bank in favor of third parties totaling $7.9 million.

Interest paid totaled $19.0 million, $17.2 million and $17.2 million for the years ended December 31, 2005, 2004 and 2003, respectively.

Note 7. Financial Instruments with Off-Balance Sheet Risks

We employ established policies and procedures to manage our exposure to changes in interest rates and foreign currencies. We use short-term foreign exchange forward contracts to hedge short-term foreign currency denominated loans, investments and certain third party and intercompany transactions and, from time to time, we have used foreign exchange option contracts to reduce our international earnings exposure to adverse changes in currency exchange rates. In addition, we use interest rate derivatives to hedge a portion of the interest rate exposure on our outstanding fixed-rate notes and in anticipation of future debt issuance, as discussed under Interest Rate Risk Management, below. We do not use derivative financial instruments for trading or speculative purposes. If a hedging instrument ceases to qualify as a hedge, any subsequent gains and losses are recognized currently in income. Collateral is generally not required for these types of instruments.

By their nature, all such instruments involve risk, including the credit risk of non-performance by counterparties. However, at December 31, 2005 and 2004, in our opinion, there was no significant risk of loss in the event of non-performance of the counterparties to these financial instruments. We control our exposure to credit risk through monitoring procedures.

Our trade receivables do not represent a significant concentration of credit risk at December 31, 2005 and 2004, due to the fact that we sell to a large number of customers in different geographical locations.

Interest Rate Risk Management

Our objective in managing exposure to interest rates is to limit the impact of interest rate changes on earnings, cash flows and financial position, and to lower overall borrowing costs. To achieve these objectives, we maintain a policy that floating-rate debt be managed within a minimum and maximum range of our total debt exposure. To manage our exposure, we may use fixed-rate debt, floating-rate debt and/or interest rate swaps.

In connection with the $300 million, five-year, fixed-rate note maturing March 2006, we entered into fixed-to-floating (LIBOR rate indexed) interest rate swap agreements in the third quarter of 2001 with a notional principal amount totaling $100 million, and designated these swaps as fair-value hedges against the long-term fixed rate notes. The arrangement is considered a highly effective hedge, and therefore the

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accounting for these hedges has no impact on earnings. The changes in the fair value of the hedge and the designated portion of the notes are reflected in our consolidated balance sheets. At December 31, 2005 and 2004, we had no floating-rate debt outstanding.

On September 30, 2005, in connection with the above $300 million note maturing in March 2006, we entered into an interest rate derivative transaction with an aggregate notional amount of $200 million. The objective of the transaction is to hedge a portion of the variability of future cash flows from changes in treasury rates in anticipation of a debt issuance during the first half of 2006. This transaction is accounted for as a cash flow hedge. As such, changes in fair value of the swap that take place through the date of debt issuance are recorded in accumulated other comprehensive income. For the year ended December 31, 2005, we recorded an $0.8 million gain in accumulated other comprehensive income.

Foreign Exchange Risk Management

Our objective in managing exposure to foreign currency fluctuations is to reduce the volatility caused by foreign exchange rate changes on the earnings, cash flows and financial position of our International operations. We follow a policy of hedging balance sheet positions denominated in currencies other than the functional currency applicable to each of our various subsidiaries. In addition, we are subject to foreign exchange risk associated with our international earnings and investments. We use short-term, foreign exchange forward and option contracts to implement our hedging strategies. Typically, these contracts have maturities of twelve months or less. These contracts are executed with creditworthy institutions and are denominated primarily in the British pound sterling and the Euro. The gains and losses on the forward contracts associated with the balance sheet positions hedge are recorded in Other Income (Expense) Net in our consolidated financial statements and are essentially offset by the gains and losses on the underlying foreign currency transactions. The gains and losses on the forward contracts associated with net investment hedges are recorded in Cumulative Translation Adjustment in our consolidated financial statements.

As in prior years, we have hedged substantially all balance sheet positions denominated in a currency other than the functional currency applicable to each of our various subsidiaries with short-term forward foreign exchange contracts. In addition, from time to time we use foreign exchange option contracts to hedge certain foreign earnings and foreign exchange forward contracts to hedge certain net investment positions. As of December 31, 2005 and 2004, there were no option contracts outstanding. The underlying transactions and the corresponding forward exchange and option contracts are marked to market at the end of each quarter, and are reflected within our consolidated financial statements.

At December 31, 2005 and 2004, we had a notional amount of approximately $212.1 million and $241.4 million, respectively, of foreign exchange forward contracts outstanding that offset foreign currency denominated intercompany loans. Gains and losses associated with these contracts were $0.2 million and $0.5 million, respectively, at December 31, 2005, $0.4 million and $1.0 million, respectively, at December 31, 2004, and $0.7 million and $0.2 million, respectively, at December 31, 2003. In addition, at December 2004, we had $91.9 million of foreign exchange forward contracts outstanding associated with our international investments. Losses associated with these contracts were $3.6 million at December 31, 2004. These contracts typically have various expiration dates within three months of entry into such contracts.

Fair Value of Financial Instruments

At December 31, 2005 and 2004, our financial instruments included cash and cash equivalents (including commercial paper investments), marketable securities, accounts receivable, other receivables, accounts payable, short-term and long-term borrowings and foreign exchange forward contracts.

At December 31, 2005 and 2004, the fair values of cash and cash equivalents, marketable securities, accounts receivable, other receivables and accounts and notes payable approximated carrying value due to the

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short-term nature of these instruments. The estimated fair values of other financial instruments subject to fair-value disclosures, determined based on third-party quotes from financial institutions, are as follows:

	At December 31, 2005		At December 31, 2004	
	Carrying Amount (Asset) Liability	Fair Value (Asset) Liability	Carrying Amount (Asset) Liability	Fair Value (Asset) Liability
Short-term debt	$ 300.0	$ 300.7	$	$
Long-term debt	$	$	$ 301.9	$ 309.0
Risk management contracts:				
Interest rate swaps (long-term)	$	$	$ (1.9)	$ (1.9)
Interest rate derivative	(0.8)	(0.8)		
Foreign exchange forwards (short-term) Net	0.3	0.3	4.1	4.1
	$ (0.5)	$ (0.5)	$ 2.2	$ 2.2

Note 8. Capital Stock

The total number of shares of all classes of stock that we have authority to issue under our Certificate of Incorporation is 220,000,000 shares, of which 200,000,000 shares, par value $0.01 per share, represent Common Stock (the Common Stock); 10,000,000 shares, par value $0.01 per share, represent Preferred Stock (the Preferred Stock); and 10,000,000 shares, par value $0.01 per share, represent Series Common Stock (the Series Common Stock). The Preferred Stock and the Series Common Stock can be issued with varying terms, as determined by our Board of Directors. Our Board of Directors has designated 500,000 shares of the Preferred Stock as Series A Junior Participating Preferred Stock, par value $0.01 per share.

On September 30, 2000, we separated from Moody s, and 81,213,520 shares of our Common Stock were distributed to the shareholders of Moody s/ D&B2 (see Note 13 to these consolidated financial statements included in this Annual Report on Form 10-K for further discussion on Moody s/ D&B2). Since we have been treated as the successor entity for accounting purposes, our historical financial statements reflect the recapitalization in connection with the 2000 Distribution (see Note 13 to our consolidated financial statements included in this Annual Report on Form 10-K for further discussion on the 2000 Distribution), including the elimination of treasury shares (which shares became treasury shares of Moody s) and the authorization of our Common Stock, Preferred Stock and Series Common Stock.

In connection with our separation from Moody s, we entered into a Rights Agreement with EquiServe Trust Company, N.A., designed to:

- minimize the prospects of changes in control that could jeopardize the tax-free nature of the separation by assuring meaningful Board of Directors involvement in any such proposed transaction; and

- enable us to develop our businesses and foster our long-term growth without disruptions caused by the threat of a change in control not deemed by our Board of Directors to be in the best interests of shareholders.

Under the Rights Agreement, each share of our Common Stock has a right that trades with the stock until the right becomes exercisable. Each right entitles the registered holder to purchase one one-thousandth of a share of Series A Junior Participating Preferred Stock, par value $0.01 per share, at a price of $125 per one one-thousandth of a share, subject to adjustment. The rights will generally not be exercisable until a person or group (an Acquiring Person) acquires beneficial ownership of, or commences a tender offer or

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exchange offer that would result in such person or group having beneficial ownership of 15% or more of the outstanding Common Stock.

In the event that any person or group becomes an Acquiring Person, each right will thereafter entitle its holder (other than the Acquiring Person) to receive, upon exercise of a right and payment of the adjusted purchase price, that number of shares of our Common Stock having a market value of two times the purchase price.

In the event that, after a person or group has become an Acquiring Person, we are acquired by another person in a merger or other business combination transaction, or 50% or more of our consolidated assets or earning power are sold, each right will entitle its holder (other than the Acquiring Person) to receive, upon exercise, that number of shares of common stock of the person with whom we have engaged in the foregoing transaction (or its parent) having a market value of two times the purchase price.

We may redeem the rights, which expire on August 15, 2010, for $0.01 per right, under certain circumstances.

Note 9. Reconciliation of Weighted Average Shares

	For the Years Ended December 31,		
	2005	2004	2003
	(Share data in thousands)		
Weighted average number of shares basic	66,843	70,415	73,490
Dilutive effect of shares issuable under stock option and restricted stock programs	1,711	2,625	2,213
Adjustment of shares applicable to stock options exercised and restricted stock vesting during the period	861	64	123
Weighted average number of shares diluted	69,415	73,104	75,826

Options to purchase 95,300, 73,546 and 158,540 shares of common stock were outstanding at December 31, 2005, 2004 and 2003, respectively, but were not included in the computation of diluted earnings per share because the options exercise prices were greater than the average market price of the common stock. Our options generally expire 10 years after the grant date.

Our share repurchases were as follows:

	For the Years Ended December 31,					
	2005		2004		2003	
Program	Shares	$ Amount	Shares	$ Amount	Shares	$ Amount
Share Repurchase Program	3,179,840(a)	$ 200.0	3,601,986(b)	$ 200.0	2,377,924(c)	$ 100.0
Repurchases to mitigate the dilutive effect of the shares issued under our stock	1,517,835	95.6	971,654	51.8	1,381,276	56.1

incentive plans and Employee Stock Purchase Plan						
Total Repurchases	4,697,675	$ 295.6	4,573,640	$ 251.8	3,759,200	$ 156.1

(a) Repurchased under the $400 million, two-year share repurchase program approved by the Board of Directors in February 2005.

(b) Repurchased under the $200 million, one-year share repurchase program approved by the Board of Directors in February 2004.

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(c) Repurchased under the $100 million, two-year share repurchase program approved by the Board of Directors in October 2002.

Note 10. Pension and Postretirement Benefits

We offer substantially all of our U.S.-based employees coverage in a defined benefit plan called The Dun & Bradstreet Corporation Retirement Account (the U.S. Qualified Plan). The defined benefit plan covers active and retired employees including retired individuals from spin-off companies (see Note 13 to these consolidated financial statements included in this Annual Report on Form 10-K for further discussion of spin-off companies). The benefits to be paid upon retirement are based on a percentage of the employee s annual compensation. The percentage of compensation allocated annually to a retirement account ranges from 3% to 12.5%, based on age and service. Amounts allocated under the plan also receive interest credits based on the 30-year Treasury rate or equivalent rate published by the Internal Revenue Service. Pension costs are determined actuarially and funded in accordance with the Internal Revenue Code. We also maintain supplemental and excess plans in the United States (the U.S. Non-Qualified Plans) to provide additional retirement benefits to certain key employees of the Company. These plans are unfunded, pay-as-you-go plans. The U.S. Qualified Plan and the U.S. Non-Qualified Plans account for approximately 73% and 15% of our pension obligation, respectively, at December 31, 2005. Our employees in certain of our international operations are also provided retirement benefits through defined benefit plans, representing the remaining balance of our pension obligations.

In addition to providing pension benefits, we provide various health care and life insurance benefits for retired employees. U.S.-based employees who retire with 10 years of vesting service after age 45 are eligible to receive benefits. Postretirement benefit costs and obligations are also determined actuarially.

Certain of our non-U.S.-based employees receive postretirement benefits through government-sponsored or administered programs.

We use an annual measurement date of December 31 for our U.S. and Canada plans and November 30 for other non-U.S. plans.

Benefit Obligation and Plan Assets

The following table sets forth the changes in our benefit obligations and plan assets for our pension and postretirement plans. The table also reconciles the funded status of these obligations to the amounts reflected

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in our financial statements, and identifies the line items in our consolidated balance sheets where the related assets and liabilities are recorded:

	Pension Plans		Postretirement Benefits	
	2005	2004	2005	2004
Change in Benefit Obligations:				
Benefit obligation at January 1	$ (1,564.1)	$ (1,455.3)	$ (123.2)	$ (162.1)
Service cost	(16.7)	(14.7)	(1.1)	(0.9)
Interest cost	(87.4)	(86.1)	(4.8)	(7.6)
Benefits paid	96.9	86.6	20.7	20.2
Plan amendment	(1.1)	(0.9)	(8.1)	
Impact of curtailment gain (loss)	7.5	3.0		(0.3)
Plan participant contributions	(0.9)	(0.8)	(6.0)	(5.5)
Actuarial gain (loss)	(45.9)	(30.2)	25.7	33.0
Assumption change	(33.6)	(47.5)		
Effect of changes in foreign currency exchange rates	16.1	(18.2)		
Benefit obligation at December 31	$ (1,629.2)	$ (1,564.1)	$ (96.8)	$ (123.2)
Change in Plan Assets:				
Fair value of plan assets at January 1	$ 1,364.5	$ 1,289.9	$	$
Actual return on plan assets	112.6	128.0		
Employer contribution	32.2	19.1	14.7	14.7
Plan participant contributions	0.9	0.8	6.0	5.5
Benefits paid	(96.9)	(86.6)	(20.7)	(20.2)
Effect of changes in foreign currency exchange rates	(10.8)	13.3		
Fair value of plan assets at December 31	$ 1,402.5	$ 1,364.5	$	$
Reconciliation of Funded Status to Total Amount Recognized:				
Funded status of plan	$ (226.7)	$ (199.6)	$ (96.8)	$ (123.2)
Unrecognized actuarial loss (gain)	597.0	551.7	(28.6)	(4.9)
Unrecognized prior service cost	12.5	16.7	(24.0)	(51.9)
Net amount recognized	$ 382.8	$ 368.8	$ (149.4)	$ (180.0)

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	Pension Plans		Postretirement Benefits	
	2005	**2004**	**2005**	**2004**
Amounts Recognized in the Consolidated Balance Sheets:				
Prepaid pension costs	$ 470.8	$ 455.3	$	$
Accrued pension and postretirement benefits	(274.8)	(268.3)	(149.4)	(180.0)
Intangible assets	11.1	14.9		
Accumulated other comprehensive income	175.7	166.9		
Net amount recognized	$ 382.8	$ 368.8	$ (149.4)	$ (180.0)
Accumulated Benefit Obligation	$ 1,575.3	$ 1,511.6	N/A	N/A
Increase in minimum liability included in Other Comprehensive Income Pretax	$ 8.8	$ 22.3	N/A	N/A

The amount recorded in Accumulated Other Comprehensive Income is included in our Consolidated Statements of Shareholders Equity as Minimum Pension Liability Adjustment, net of tax. The associated deferred tax assets were $63.0 million and $59.8 million for the years ended December 31, 2005 and 2004, respectively. We recorded a Change in Minimum Pension Liability Adjustment of $5.6 million and $14.0 million, net of applicable tax, in the years ended December 31, 2005 and 2004, respectively.

Grantor Trusts are used to fund the U.S. Non-Qualified Plans. While our Non-Qualified plans are largely unfunded, at December 31, 2005 and 2004, the balances in these trusts were approximately $13.6 million and $12.5 million, respectively, included as components of other non-current assets in the consolidated balance sheet.

As of December 31, 2005 and 2004, our pension plans have aggregate unrecognized losses of $597.0 million and $551.7 million, respectively. These unrecognized losses represent the cumulative effect since the inception of SFAS No. 87 of demographic and investment experience, as well as assumption changes that have been made in measuring the plans liabilities. At December 31, 2005 and 2004, approximately $20.3 million and $96.9 million of this total unrecognized loss, respectively, was excluded when determining the loss amortization because it represents deferred asset experience not yet reflected in the market-related value of plan assets. The remaining unrecognized loss, to the extent it exceeds the greater of 10% of the projected benefit obligation or market-related value of plan assets, will be amortized into expense each year on a straight-line and plan-by-plan basis, over the remaining expected future working lifetime of active participants or the average remaining life expectancy of the inactive participants if all or almost all of the plan participants are inactive. Currently, the amortization periods range from 11 to 14 years for the U.S. plans and 15 to 37 years for the non-U.S. plans. For certain of our non-U.S. plans, almost all of the plan participants are inactive. In addition, the postretirement benefit plan had a $28.6 million and $4.9 million unrecognized gain as of December 31, 2005 and 2004, respectively. It will be amortized into expense in the same manner as described above. The amortization period approximates 10 years.

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Additional Minimum Pension Liability

Under SFAS No. 87, we are required to recognize an additional minimum pension liability for pension plans with accumulated benefit obligations in excess of plan assets. At December 31, 2005 and 2004, our unfunded accumulated benefit obligations and the related projected benefit obligations were as follows:

	2005	2004
Accumulated benefit obligation	$ 417.0	$ 379.3
Fair value of plan assets	142.2	111.0
Unfunded Accumulated Benefit Obligation	$ 274.8	$ 268.3
Projected Benefit Obligation	$ 445.1	$ 397.7

The unfunded accumulated benefit obligations at December 31, 2005 consisted of $228.2 million and $46.6 million related to our U.S. Non-Qualified Plans and non-U.S. defined benefit plans, respectively. The unfunded accumulated benefit obligations at December 31, 2004 consisted of $218.9 million and $49.4 million related to our U.S. Non-Qualified Plans and non-U.S. defined benefit plans, respectively.

Net Periodic Pension Costs

The following table sets forth the components of the net periodic cost associated with our pension plans and our postretirement benefit obligations:

	Pension Plans			Postretirement Benefits		
	2005	2004	2003	2005	2004	2003
Components of Net Periodic Cost:						
Service cost	$ 16.7	$ 14.7	$ 13.9	$ 1.1	$ 0.9	$ 1.2
Interest cost	87.4	86.1	84.6	4.8	7.6	14.3
Expected return on plan assets	(119.2)	(126.8)	(128.1)			
Amortization of prior service cost	2.8	2.9	3.2	(10.6)	(11.4)	(2.4)
Recognized actuarial loss (gain)	25.2	11.4	8.2	(1.0)	(0.1)	1.8
Net Periodic (Income) Cost	$ 12.9	$ (11.7)	$ (18.2)	$ (5.7)	$ (3.0)	$ 14.9

In addition, we incurred curtailment charges of $3.1 million, $1.3 million and $0.5 million for our pension plans for the years ended December 31, 2005, 2004 and 2003, respectively. In addition, we recognized curtailment gains of $9.5 million and $3.7 million for our postretirement benefit plan for the years ended December 31, 2005 and 2004, respectively.

We apply our long-term expected rate of return assumption to the market-related value of assets to calculate the expected return on plan assets, which is a major component of our annual net periodic pension expense. The market-related value of assets recognizes short-term fluctuations in the fair value of assets over a period of five years, using a straight-line amortization basis. The methodology has been utilized to reduce the effect of short-term market fluctuations on the net periodic pension cost, as provided under SFAS No. 87. Since the market-related value of assets recognizes gains or losses over a five-year-period, the future value of assets will be impacted as previously deferred gains or losses are recorded. At December 31, 2005 and 2004, the market-related value of assets of our pension plans was $1,422.8 million and $1,461.4 million, respectively, which exceeded the fair value of the plan assets by $20.3 million and $96.9 million, respectively.

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The following table sets forth the assumptions we used to determine our pension plan and postretirement benefit plan obligations for December 31, 2005 and 2004.

	Pension Plans		Postretirement Benefits	
	2005	2004	2005	2004
Weighted average discount rate	5.43%	5.71%	5.30%	5.25%
Weighted average rate of compensation increase	3.66%	3.67%	N/A	N/A
Cash balance accumulation/conversion rate	4.75%	5.00%	N/A	N/A

The following table sets forth the assumptions we used to determine net periodic benefit cost for the years ended December 31, 2005, 2004 and 2003.

	Pension Plans			Postretirement Benefits		
	2005	2004	2003	2005	2004	2003
Weighted average discount rate	5.63%	5.98%	6.44%	5.08%	6.00%	6.45%
Weighted average expected long-term return on plan assets	8.41%	8.66%	8.65%	N/A	N/A	N/A
Weighted average rate of compensation increase	3.66%	3.65%	3.65%	N/A	N/A	N/A
Cash balance accumulation/conversion rate	5.00%	5.00%	4.75%	N/A	N/A	N/A

The expected long-term rate of return assumption was 8.50%, 8.75% and 8.75% for the years ended December 31, 2005, 2004 and 2003, respectively, for the U.S. Qualified Plan, our principal pension plan. For the year ended December 31, 2006, we will lower the expected long-term rate of return assumption to 8.25% for the U.S. Qualified Plan. This assumption is based on the plan s target asset allocation of 65% equity securities, 29% debt securities and 6% real estate. The expected long-term rate of return assumption reflects long-term capital market return forecasts for the asset classes employed, assumed excess returns from active management within each asset class, the portion of plan assets that are actively managed, and periodic rebalancing back to target allocations. Current market factors such as inflation and interest rates are evaluated before the long-term capital market assumptions are determined. In addition, peer data and historical returns are reviewed to check for reasonableness. Although we review our expected long-term rate of return assumption annually, our plan performance in any one particular year does not, by itself, significantly influence our evaluation. Our assumption is generally not revised unless there is a fundamental change in one of the factors upon which it is based, such as the target asset allocation or long-term capital market return forecasts.

The following table sets forth the weighted average asset allocations and target asset allocations by asset category, as of the measurement dates of the plans.

	Asset Allocations		Target Asset Allocations	
	2005	2004	2005	2004

Equity securities	67%	68%	65%	65%
Debt securities	26	26	29	29
Real estate	7	6	6	6
Total	100%	100%	100%	100%

The U.S. Qualified Plan, our principal plan, employs a total return investment approach in which a mix of equity, debt and real estate investments are used to maximize the long-term return on plan assets at a prudent level of risk. The plan s target asset allocation is 65% equity securities (range of 60% to 70%), 29% debt securities (range of 24% to 34%) and 6% real estate (range of 3% to 9%). The target allocation is controlled by periodic rebalancing back to target. Plan assets are invested using a combination of active and passive (indexed) investment strategies. Active strategies employ multiple investment management firms.

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The plan s equity securities are diversified across U.S. and non-U.S. stocks. The active investment managers employ a range of investment styles and approaches that are combined in a way that compensates for capitalization and style biases versus benchmark indices. The plan s debt securities are diversified principally among securities issued or guaranteed by the U.S. government or its agencies, mortgage-backed securities, including collateralized mortgage obligations, corporate debt obligations and dollar-denominated obligations issued in the U.S. by non-U.S. banks and corporations. Generally, up to 10% of the debt securities may be invested in securities rated lower than A. The plan s real estate investments are made through a commingled equity real estate fund of U.S. properties diversified by property type and geographic location.

Investment risk is controlled through diversification among multiple asset classes, managers, styles and securities. Risk is further controlled at the investment manager level by requiring managers to follow formal written investment guidelines and by assigning them excess return and tracking error targets. Investment results and risk are measured and monitored on an ongoing basis and quarterly investment reviews are conducted. The plan s active investment managers are prohibited from investing plan assets in equity or debt securities issued or guaranteed by us. In addition, we are not part of any index fund in which the plan invests.

We use the discount rate to measure the present value of pension plan obligations and postretirement health care obligations at year-end as well as to calculate next year s pension income or cost. It is derived by using a yield curve approach which matches projected plan benefit payment streams with an applicable yield curve developed from high quality bond portfolios. The rate is adjusted at each remeasurement date, based on the factors noted above. As of December 31, 2005, for all of our U.S. pension plans we lowered the discount rate to 5.50% from 5.75% used at December 31, 2004.

We expect to contribute $32.4 million to our Non-Qualified U.S. plans and non-U.S. pension plans and $12.4 million to our postretirement benefit plan for the year ended December 31, 2006. We do not expect to contribute to the U.S. Qualified Plan.

The following table summarizes expected benefit payments from our pension plans and postretirement plans through 2015. Actual benefit payments may differ from expected benefit payments. These amounts are reflected net of expected plan participant contributions.

		Postretirement Benefits		
	Pension Plans	Gross Expected Benefit Payment	Gross Expected Subsidy	Net Expected Benefit Payment
2006	$ 96.0	$14.9	$ 2.5	$ 12.4
2007	$ 89.0	$14.3	$ 2.8	$ 11.5
2008	$ 86.3	$13.6	$ 3.0	$ 10.6
2009	$ 87.7	$13.0	$ 3.2	$ 9.8
2010	$ 91.7	$12.5	$ 3.4	$ 9.1
2011-2015	$ 489.9	$55.5	$18.5	$ 37.0

For measurement purposes, a 12.0% annual rate of increase in the per capita cost of covered health care benefits was assumed for the year ended December 31, 2006. The rate was assumed to decrease gradually to 5.0% by 2013 and remain at that level thereafter.

Assumed health care cost trend rates have an effect on the amounts reported for the health care plans. A one-percentage-point change in the assumed health care cost trend rates would have the following effects.

	1% Point	
	Increase	**Decrease**
Benefit obligation at end of year	$ 0.7	$ (1.4)
Service cost plus interest cost	$	$ (0.1)

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In the fourth quarter of 2003, an amendment was made to D&B s Postretirement Benefit Plan and starting January 1, 2004, we began to limit the amount of our insurance premium contribution based on the amount we contributed for the year ended December 31, 2003 per retiree. This change is expected to reduce our postretirement benefit obligation by approximately $71.4 million, subject to changes in economic conditions and actual plan experience. This non-cash reduction will be amortized over five to six years, starting in 2004. This change has reduced the annual postretirement benefit costs by approximately $11 million for the years ended December 31, 2005 and 2004.

On December 8, 2003, the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the Medicare Reform Act) was signed into law. The Medicare Reform Act expands Medicare, primarily by adding a prescription drug benefit for medicare-eligibles starting in 2006. The Medicare Reform Act provides employers currently providing postretirement prescription drug benefits with a range of options for coordinating with the new government-sponsored program potentially to reduce this benefit, including providing for a federal subsidy to sponsors of retiree health care benefit plans that provide a benefit that is at least actuarially equivalent to the benefit established by the law. In connection with the Medicare Reform Act, the FASB issued FSP No. FAS 106-2, Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003. FSP No. FAS 106-2 provides guidance on accounting for the effects of the new Medicare prescription drug legislation for employers whose prescription drug benefits are actuarially equivalent to the drug benefit under Medicare Part D and are therefore entitled to receive subsidies from the federal government beginning in 2006.

Under the FSP, if a company concludes that its defined benefit postretirement benefit plan is actuarially equivalent to the Medicare Part D benefit, the employer should recognize subsidies from the federal government in the measurement of the accumulated postretirement benefit obligation (APBO) under SFAS No. 106. The resulting reduction of the APBO should be accounted for as an actuarial gain. D&B adopted the FSP for periods beginning after July 1, 2004.

On January 21, 2005, the Centers for Medicare and Medicaid Services (CMS) released final regulations implementing major provisions of the Medicare Reform Act of 2003. The regulations address key concepts, such as defining a plan, as well as the actuarial equivalence test for purposes of obtaining a government subsidy. Pursuant to the guidance in FSP No. FAS 106-2, we have assessed the financial impact of the regulations and concluded that our postretirement benefit plan will qualify for the direct subsidies in 2006 until 2023 and the APBO decreased by $37.1 million, including the $33.1 million related to the subsidy and $4.0 million related to the impact of the future participant opt-out assumption as participants seek more affordable drug coverage under Medicare Part D benefit. Of the $37.1 million, $31.3 million was reflected in December 31, 2004 results and the remaining balance in December 31, 2005 results. As a result of the implementation of Medicare Reform Act, our 2005 and 2004 postretirement benefit cost decreased by approximately $2.5 million and $1.3 million, respectively, including the reduction in interest cost of $1.8 million for the year ended December 31, 2005 and $1.1 million for the year ended December 31, 2004, and the increase in recognized actuarial gain of $0.7 million for the year ended December 31, 2005 and $0.2 million for the year ended December 31, 2004.

In the fourth quarter of 2005, we communicated to our retirees we would share 25% of the projected federal subsidies with the retirees starting in fiscal year 2006. In the future, we may consider increasing our sharing percentage as necessary in order to ensure our retiree prescription drug plan remains actuarially equivalent and continues to qualify for federal subsidies. The impact of sharing was accounted for in accordance with FSP No. FAS 106-2. As a result, our APBO increased by approximately $1.5 million and our annual postretirement benefit income will decrease by approximately $1.0 million for the year ended December 31, 2006.

Effective April 1, 2004, an amendment was made to the UK final pay defined benefit pension plan. After the amendment, the final pay defined benefit plan was closed to new participants. Under the revised defined

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benefit plan, the method used to accrue pension benefits is based on career average salary, which would reduce plan members future benefit. Existing participants in the revised defined benefit plan are required to increase their contributions. Existing participants under the defined benefit plan also have the option to participate in a defined contribution plan which will offer enhanced benefits.

Profit Participation Plan

We have a profit participation plan covering substantially all U.S. employees that provides for an employee salary deferral contribution and employer contributions. Employees may contribute up to 16% of their pay. We contribute an amount equal to 50% of an employee s first 6% of contributions, up to a maximum of 3% of the employee s salary. We also make contributions to the plan if certain financial performance objectives are met, based on performance over a one-year period (Supplemental Match). We recognized expense associated with our employer contributions to the plan of $7.4 million, $10.4 million, and $8.7 million for the year ended December 31, 2005, 2004 and 2003, respectively.

In February 2006, we communicated to our employees that in 2006 we would eliminate the supplemental match provision.

Note 11. Employee Stock Plans

Under The Dun & Bradstreet Corporation 2000 Stock Incentive Plan (2000 SIP) and Non-Employee Directors Stock Incentive Plan (2000 DSIP), we have granted options to certain employees and non-employee directors to purchase shares of our common stock at the market price on the date of the grant. Options granted under the 2000 SIP prior to February 9, 2004 generally vest in three equal installments, beginning on the third anniversary of the grant. Options granted under the 2000 SIP on or after February 9, 2004 generally vest in four equal installments beginning on the first anniversary of the grant. Options granted under the 2000 DSIP generally vest 100% on the first anniversary of the grant. All options generally expire 10 years from the date of the grant. The 2000 SIP and 2000 DSIP provide for the granting of up to 9.7 million and 0.3 million shares of our common stock, respectively.

Under The Dun & Bradstreet Corporation 2000 Employee Stock Purchase Plan (ESPP), which became effective October 2000, we are authorized to sell up to 1.5 million shares of our common stock to our eligible employees of which 906,114 remain available for future purchases at December 31, 2005. Under the terms of the ESPP, employees may have up to 10% of their earnings withheld to purchase our common stock. The purchase price of the stock on the date of purchase is 85% of the average high and low sale prices of shares on the New York Stock Exchange on the last trading day of the month. Under the ESPP, we sold 94,161, 97,295, and 108,440 shares to employees for the years ended December 31, 2005, 2004 and 2003, respectively.

We apply APB No. 25 and related interpretations in accounting for our plans. Accordingly, no compensation cost has been recognized for stock option grants under the plans or purchases under the ESPP (See Note 1 to these consolidated financial statements included in this Annual Report on Form 10-K for the pro forma effect disclosure under the provisions of SFAS No. 123).

Options outstanding at December 31, 2005 were originally granted during the years 1996 through 2005 and are exercisable over periods ending not later than 2015. At December 31, 2005, 2004 and 2003, options for 3,115,172 shares, 3,991,434 shares, and 3,479,627 shares of our common stock, respectively, were exercisable, and 3,111,171 shares, 3,646,883 shares, and 3,650,541 shares of our common stock, respectively, were available for future grants under the stock option plans.

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Changes in stock options for the three years ended December 31, 2005 are summarized as follows:

	Shares	Weighted Average Exercise Price($)
Options outstanding at January 1, 2003	9,692,241	21.99
Granted	1,895,645	35.15
Exercised	(1,414,827)	14.07
Surrendered or expired	(969,939)	28.40
Options outstanding at December 31, 2003	9,203,120	25.25
Granted	816,286	53.75
Exercised	(877,619)	16.68
Surrendered or expired	(841,314)	32.01
Options outstanding at December 31, 2004	8,300,473	28.20
Granted	632,908	61.17
Exercised	(2,764,625)	21.79
Surrendered or expired	(428,131)	39.96
Options outstanding at December 31, 2005	5,740,625	34.05

The annual stock options awarded to employees are generally granted in February of the following year after the approval of the compensation program and Business Plan. For the years ended December 31, 2005, 2004 and 2003, the annual stock options awarded to employees were 358,500, 470,400 and 628,440 at an exercise price of $71.28, $60.54 and $53.30, respectively.

The following table summarizes information about stock options outstanding at December 31, 2005:

	Stock Options Outstanding			Stock Options Exercisable	
Range of Exercise Prices	Shares	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
$10.59-$17.59	915,938	3.0 Years	$14.52	915,938	$14.52
$23.72-$27.94	1,424,919	5.0 Years	$24.13	1,254,011	$23.99
$31.36-$35.81	1,213,941	6.9 Years	$34.12	168,404	$34.08
$36.16-$42.05	920,194	6.2 Years	$36.94	476,520	$36.22
$48.07-$59.86	674,125	8.2 Years	$53.65	300,299	$53.58
$60.54-$66.09	591,508	9.2 Years	$61.21		

Total	5,740,625	3,115,172

The 2000 SIP and 2000 DSIP plans also provide for the granting of stand-alone stock appreciation rights (SARs) and limited stock appreciation rights (LSARs) in tandem with stock options to certain key employees and non-employee directors. At December 31, 2005, 2004 and 2003, 1,087,840, 3,685,680, and 3,326,200 shares of LSARs attached to stock options were outstanding, respectively, which are exercisable only if, and to the extent that, the related option is exercisable, and only upon the occurrence of specified contingent events. Beginning in 2005 LSARs are no longer being granted. For the years ended December 31, 2005 and 2004, no SARs were granted, and during 2003, 4,600 SARs were granted. At December 31, 2005, 2004, and 2003, 10,918, 17,736, and 57,235 shares of SARs were outstanding, respectively, and we have

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recognized the associated expense of $0.1 million, $0.5 million, and $0.6 million within Operating Costs for the years ended December 31, 2005, 2004 and 2003, respectively. Compensation expense for stock appreciation rights is measured as the amount by which the quoted market value of the shares of our common stock exceeds the base unit price at the date of the grant. Changes, either increases or decreases, in the quoted market value of these shares between the date of grant and at the end of each subsequent quarter result in a change in the measure of compensation for the rights. The compensation expense is recognized proportionally over the vesting period.

For the years ended December 31, 2005 and 2003, 310,834 and 147,870 shares of restricted stock were granted and for the year ended December 31, 2004 no shares of restricted stock were granted. For the years ended December 31, 2005, 2004, and 2003, 28,303, 14,420 and 11,300 shares of restricted stock were forfeited, respectively. The restrictions on the majority of such shares lapse over a period of three years from date of the grant, and the cost is charged to compensation expense ratably. We record compensation expense for the amortization of restricted stock issued to employees, utilizing the intrinsic-value method, which would result in the same amount of compensation expense that would be recognized as if we had applied the fair value recognition provisions of SFAS No. 123. We recognized compensation expense recorded under APB No. 25 associated with the restricted stock of $6.0 million, $1.4 million, and $2.1 million for the years ended December 31, 2005, 2004 and 2003, respectively.

For the years ended December 31, 2005, 2004 and 2003, 57,834 shares, 9,238 shares, and 27,550 shares of restricted stock units were granted, respectively. For the years ended December 31, 2005, 2004 and 2003, 14,585 shares, 2,660 shares, and 2,290 shares of restricted stock units were forfeited, respectively. The restrictions on the majority of such shares lapse over a period of three years from the date of the grant. We recognized expense associated with the restricted stock units of $1.4 million, $0.6 million, and $0.7 million for the years ended December 31, 2005, 2004 and 2003, respectively.

Beginning in 2004, certain employees were provided an opportunity to receive an award of restricted stock or restricted stock units in the future. That award is contingent on performance against the same goals that drive payout of the annual bonus plan. These awards will be granted, if at all, after the one year performance goal has been met and will then vest over a three-year period. For the years ended December 31, 2005 and 2004, we recognized expense associated with the restricted stock opportunity of $4.4 million and $8.3 million, respectively.

Note 12. Lease Commitments and Contractual Obligations

Most of our operations are conducted from leased facilities, which are under operating leases that expire over the next 10 years, with the majority expiring within five years. We also lease certain computer and other equipment under operating leases that expire over the next three years. These computer and other equipment leases are frequently renegotiated or otherwise changed as advancements in computer technology produce opportunities to lower costs and improve performance. Rental expenses under operating leases (cancelable and non-cancelable) were $26.6 million, $32.8 million and $34.7 million for the years ended December 31, 2005, 2004 and 2003, respectively.

In July 2002, we outsourced certain technology functions to Computer Sciences Corporation (CSC) under a 10-year agreement, which we may terminate for a fee at any time effective after July 2003 and under certain other conditions. Under the terms of the agreement, CSC is responsible for the data center operations, technology help desk and network management functions in the United States and United Kingdom and for certain application development and maintenance through July 31, 2012. The obligation under the contract is based on our historical and expected future level of usage and volume. If our future volume changes, payments under the contract could vary up or down based on specified formulas. Charges are subject to increases to partially offset inflation. We incurred costs of $65.4 million, $63.0 million and $58.9 million under this contract for the years ended December 31, 2005, 2004 and 2003, respectively.

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In December 2003, we signed a three year agreement with ICT Group, Inc., effective January 2004, to outsource certain marketing calling activities. We may terminate this agreement for a fee at any time. Under the terms of the agreement, ICT is responsible for performing certain marketing and credit calling activities previously performed by our own call centers in North America. The obligation under the contract is based upon transmitted call volumes, but shall not be less than $3 million per contract year. We incurred costs of $5.2 million and $5.6 million under this contract for the years ended December 31, 2005 and 2004, respectively.

On October 15, 2004, we entered into a seven-year outsourcing agreement with IBM. Under the terms of the agreement, we have transitioned certain portions of our data acquisition and delivery, customer service, and financial processes to IBM. In addition, we may terminate this agreement for a fee at any time. We incurred costs of $24.4 million and $2.2 million under this contract for the years ended December 31, 2005 and 2004, respectively.

The following table quantifies our future contractual obligations as discussed above as of December 31, 2005:

	2006	2007	2008	2009	2010	Thereafter	Total
Operating Leases	$23.0	$17.4	$14.1	$10.9	$ 8.4	$ 14.4	$ 88.2
Obligations to Outsourcers	$91.8	$82.4	$82.6	$81.7	$80.4	$121.4	$540.3

Excludes pension obligations in which funding requirements are uncertain and long-term contingent liabilities. Our obligations with respect to pension and postretirement medical benefit plans are described in Note 10 to our consolidated financial statements included in this Annual Report on Form 10-K. Our long-term contingent liabilities with respect to tax and legal matters are discussed in Note 13 to our consolidated financial statements included in this Annual Report on Form 10-K.

Note 13. Contingencies

We are involved in tax and legal proceedings, claims and litigation arising in the ordinary course of business. We periodically assess our liabilities and contingencies in connection with these matters based upon the latest information available. For those matters where it is probable that we have incurred a loss and the loss or range of loss can be reasonably estimated, we have recorded reserves in our consolidated financial statements. In other instances, we are unable to make a reasonable estimate of any liability because of the uncertainties related to the probability of the outcome and/or amount or range of loss. As additional information becomes available, we adjust our assessment and estimates of such liabilities accordingly. It is possible that the ultimate resolution of our liabilities and contingencies could be at amounts that are different from our currently recorded reserves and that such differences could be material. Based on our review of the latest information available, we believe our ultimate liability in connection with pending tax and legal proceedings, claims and litigation will not have a material effect on our results of operations, cash flows or financial position, with the possible exception of the matters described below.

In order to understand our exposure to the potential liabilities described below, it is important to understand the relationship between us and Moody s Corporation, our predecessors and other parties that, through various corporate reorganizations and contractual commitments, have assumed varying degrees of responsibility with respect to such matters.

In November 1996, the company then known as The Dun & Bradstreet Corporation (D&B1) separated through a spin-off into three separate public companies: D&B1, ACNielsen Corporation (ACNielsen) and Cognizant Corporation (Cognizant) (the 1996 Distribution). This was accomplished through a spin off by D&B1 of its stock in ACNielsen and Cognizant. In September 1998, D&B1 separated through a spin-off into two separate public companies: D&B1, which changed its name to R.H. Donnelley Corporation

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(Donnelley/ D&B1), and a new company named The Dun & Bradstreet Corporation (D&B2) (the 1998 Distribution). During 1998, Cognizant separated into two separate public companies: IMS Health Incorporated (IMS) and Nielsen Media Research, Inc. (NMR) (the 1998 Cognizant Distribution). In September 2000, D&B2 separated through a spin off into two separate public companies: D&B2, which changed its name to Moody s Corporation (Moody s and also referred to elsewhere in this Annual Report on Form 10-K as Moody s/ D&B2), and a new company named The Dun & Bradstreet Corporation (we or D&B3 and also referred to elsewhere in this Annual Report on Form 10-K as D&B) (the 2000 Distribution).

Tax Matters

Moody s/D&B2 and its predecessors entered into global tax-planning initiatives in the normal course of business, principally through tax-free restructurings of both their foreign and domestic operations. As further described below, we undertook contractual obligations to be financially responsible for a portion of certain liabilities arising from certain historical tax-planning initiatives (Legacy Tax Matters).

As of the end of 2005, settlement agreements have been executed with the IRS with respect to the Legacy Tax Matters previously referred to in our SEC filings as Utilization of Capital Losses and Royalty Expense Deductions. With respect to the Utilization of Capital Losses matter, the settlement agreement resolved the matter in its entirety. For the Royalty Expense Deductions matter, the settlement covered tax years 1995 and 1996, which represented approximately 90% of the total potential liability to the IRS, including penalties. We believe we are adequately reserved for the remaining exposure. In addition, with respect to these two settlement agreements, we believe that IMS and NMR did not pay their allocable share to the IRS under applicable agreements. Under our agreement with Donnelley/D&B1, we and Moody s were each required to cover the shortfall, and each of us paid to the IRS approximately $12.8 million in excess of our respective allocable shares. If we are unable to resolve our dispute with IMS and NMR through the negotiation process contemplated by our agreements, we will commence arbitration to enforce our rights and collect these amounts from IMS and NMR. We believe that the resolution of the remaining exposure to the IRS under the Royalty Expense Deduction matter and the foregoing disputes with IMS and NMR will not have a material adverse impact on D&B s financial position, results of operations or cash flows.

Our remaining Legacy Tax Matter is referred to as ***Amortization and Royalty Expense Deductions/Royalty Income 1997-2005*** .

Beginning in the fourth quarter of 2003, we received a series of notices with respect to a partnership agreement entered into in 1997. In these notices the IRS asserted, among other things, that certain amortization expense deductions claimed by Donnelley/D&B1, Moody s/D&B2 and D&B3 on applicable tax returns for years 1997-2002 should be disallowed. In addition to the foregoing, the IRS has asserted that royalty expense deductions claimed for 1997-2002 for royalties paid to the partnership should be disallowed. We have filed protests with the IRS with respect to these notices. The IRS has also asserted that the receipt of these same royalties by the partnership should be reallocated to and reported as royalty income by the taxpayers, including the portions of the royalties that were allocated to third-party partners in the partnership, and thus included in their taxable income. We believe that the IRS positions with respect to the treatment of the royalty expense and royalty income are mutually inconsistent. If the IRS prevails on one of the positions, we believe that it is unlikely that it will prevail on the other. In addition to the foregoing, the IRS has asserted that certain business expenses incurred by Moody s/D&B2 and D&B3 during 1999-2002 should be capitalized and amortized over a 15-year period, if (but only if) the proposed adjustments described above are not sustained.

We estimate that the net impact to cash flow as a result of the disallowance of the 1997-2002 amortization expense deductions and the disallowance of such deductions claimed from 2003 to date could be up to $69.0 million (tax, interest and penalties, net of tax benefits but not taking into account the Moody s/

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D&B2 repayment to us of $32.9 million described below). This transaction is scheduled to expire in 2012 and, unless terminated by us, the net impact to cash flow, based on current interest rates and tax rates would increase at a rate of approximately $2.3 million per quarter (including potential penalties) as future amortization expenses are deducted.

We anticipate making a deposit to the IRS of approximately $40 million in the first quarter of 2006 in order to stop the accrual of statutory interest on potential tax deficiencies up to or equal to that amount with respect to tax years 1997-2002. This deposit would not impact our free cash flow and will be a component of other assets on our consolidated balance sheet.

We also estimate that, with regard to the possible disallowance of deductions for royalty expenses paid to the partnership and the reallocation of royalty income from the partnership, after taking into account certain other tax benefits resulting from the IRS position on the partnership, it is unlikely that there will be any net impact to cash flow in addition to the amounts noted above related to the amortization expense deduction disallowance. In the unlikely event the IRS were to prevail on both positions with respect to the royalty expense and royalty income, we estimate that the net impact to cash flow as a result of the disallowance of the 1997-2002 royalty expense deductions, and the inclusion of the reallocated royalty income for all relevant years, could be up to $146.5 million (tax, interest, and penalties, net of tax benefits). This $146.5 million would be in addition to the $69.0 million noted above related to the amortization expense deduction.

At the time of the 2000 Distribution, we paid Moody s/D&B2 approximately $55.0 million in cash representing the discounted value of future tax benefits associated with this transaction. Pursuant to the terms of the 2000 Distribution, should the transaction be terminated, Moody s/D&B2 would be required to repay us an amount equal to the discounted value of its 50% share of the related future tax benefits. If the transaction was terminated at December 31, 2005, the amount of such repayment from Moody s/D&B2 to us would be approximately $32.9 million and would decrease by approximately $4.0 million to $5.0 million per year.

We are attempting to resolve this matter with the IRS before proceeding to litigation, if necessary. If we, on behalf of Donnelley/D&B1, Moody s/D&B2, and D&B3 were to challenge, at any time, any of these IRS positions for years 1997-2002 in U.S. District Court or the U.S. Court of Federal Claims, rather than in U.S. Tax Court, the disputed amounts for each applicable year would need to be paid in advance for the court to have jurisdiction over the case.

We have considered the foregoing Legacy Tax Matters and the merits of the legal defenses and the various contractual obligations in our overall assessment of potential tax liabilities. As of December 31, 2005, we have net $69.2 million of reserves recorded in the consolidated financial statements, made up of the following components: $6.0 million in Accrued Income Tax and $63.2 million in Other Non-Current Liabilities. We believe that these reserves are adequate for our share of the liabilities in these Legacy Tax Matters. Any payments that would be made for these exposures could be significant to our cash from operations in the period a cash payment took place, including any payments for the purpose of obtaining jurisdiction in U.S. District Court or the U.S. Court of Federal Claims to challenge any of the IRS s positions.

Legal Proceedings

Information Resources, Inc.

On or about February 16, 2006, this antitrust lawsuit was settled and mutual releases were signed by the parties. The dismissal of the lawsuit is subject to Court approval and the mutual releases are being held in escrow pending dismissal of the lawsuit. As more fully explained below, we were fully indemnified for this matter and therefore did not contribute to the settlement payment.

Under an Amended Joint Defense Agreement, VNU N.V., a publicly-traded Dutch company and certain of its U.S. subsidiaries (collectively, the VNU Parties), assumed exclusive joint and several liability for any judgment or settlement of this lawsuit. Because of this indemnity obligation, D&B did not have any exposure

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(Tabular dollar amounts in millions, except per share data)

to a judgment or settlement of this lawsuit unless the VNU Parties defaulted on their obligations, which did not occur. Accordingly, the VNU Parties paid the entire settlement amount of $55 million.

By way of background, in 1996, IRI filed a complaint, subsequently amended in 1997, in federal court in New York that named as defendants a company then known as The Dun & Bradstreet Corporation and now known as R.H. Donnelley (referred to in this Annual Report on Form 10-K as Donnelley/D&B1), A.C. Nielsen Company (a subsidiary of ACNielsen) and IMS International, Inc. (a subsidiary of the company then known as Cognizant Corporation). At the time of the filing of the complaint, each of the other defendants was a wholly-owned subsidiary of Donnelley/D&B1. The amended complaint alleged various violations of US antitrust laws. IRI sought damages in excess of $650 million, which IRI asked to be trebled, as well as punitive damages and attorneys fees.

As noted above, we did not contribute to the settlement payment and, therefore, the resolution of this matter did not impact our results of operations, cash flows or financial position. No amount in respect of this matter had been accrued in our consolidated financial statements.

Hoover s Initial Public Offering Litigation

On November 15, 2001, a putative shareholder class action lawsuit was filed against Hoover s, certain of its then current and former officers and directors (the Individual Defendants), and one of the investment banks that was an underwriter of Hoover s July 1999 initial public offering (IPO). The lawsuit was filed in the United States District Court for the Southern District of New York and purports to be a class action filed on behalf of purchasers of the stock of Hoover s during the period from July 20, 1999 through December 6, 2000.

A Consolidated Amended Complaint, which is now the operative complaint, was filed on April 19, 2002. The purported class action alleges violations of Sections 11 and 15 of the Securities Act of 1933, as amended, (the 1933 Act) and Sections 10(b), Rule 10b-5 and 20(a) of the Securities Exchange Act of 1934, as amended, against Hoover s and the Individual Defendants. Plaintiffs allege that the underwriter defendant agreed to allocate stock in Hoover s IPO to certain investors in exchange for excessive and undisclosed commissions and agreements by those investors to make additional purchases of stock in the aftermarket at predetermined prices above the IPO price. Plaintiffs allege that the Prospectus for Hoover s IPO was false and misleading in violation of the securities laws because it did not disclose these arrangements. The action seeks damages in an unspecified amount. The defense of the action is being coordinated with more than 300 other nearly identical actions filed against other companies. On July 15, 2002, Hoover s moved to dismiss all claims against it and the Individual Defendants. On October 9, 2002, the Court dismissed the Individual Defendants from the case based upon Stipulations of Dismissal filed by the plaintiffs and the Individual Defendants. On February 19, 2003, the Court denied the motion to dismiss the complaint against Hoover s. On October 13, 2004, the Court certified a class in six of the approximately 300 other nearly identical actions and noted that the decision is intended to provide strong guidance to all parties regarding class certification in the remaining cases. Plaintiffs have not yet moved to certify a class in the case involving Hoover s.

Hoover s has approved a settlement agreement and related agreements that set forth the terms of a settlement between Hoover s, the plaintiff class and the vast majority of the other approximately 300 issuer defendants. Among other provisions, the settlement provides for a release of Hoover s and the Individual Defendants for the conduct alleged in the action to be wrongful. Hoover s would agree to undertake certain responsibilities, including agreeing to assign away, not assert, or release certain potential claims Hoover s may have against its underwriters. The settlement agreement also provides a guaranteed recovery of $1 billion to plaintiffs for the cases relating to all of the approximately 300 issuers. To the extent that the underwriter defendants settle all of the cases for at least $1 billion, no payment will be required under the issuers settlement agreement. To the extent that the underwriter defendants settle for less than $1 billion, the issuers are required to make up the difference. It is anticipated that any potential financial obligation of Hoover s to

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plaintiffs pursuant to the terms of the settlement agreement and related agreements will be covered by existing insurance. Hoover s currently is not aware of any material limitations on the expected recovery of any potential financial obligation to plaintiffs from its insurance carriers. Its carriers are solvent, and Hoover s is not aware of any uncertainties as to the legal sufficiency of an insurance claim with respect to any recovery by plaintiffs. Therefore, we do not expect that the settlement will involve any payment by Hoover s. If material limitations on the expected recovery of any potential financial obligation to the plaintiffs from Hoover s insurance carriers should arise, Hoover s maximum financial obligation to plaintiffs pursuant to the settlement agreement is less than $3.4 million. On February 15, 2005, the court granted preliminary approval of the settlement agreement, subject to certain modifications consistent with its opinion. Those modifications have been made. There is no assurance that the court will grant final approval to the settlement. A further hearing with regard to the settlement is scheduled for April 24, 2006.

As previously noted, if the settlement is ultimately approved and implemented in its current form, Hoover s reasonably foreseeable exposure in this matter, if any, would be limited to amounts that would be covered by existing insurance. If the settlement is not approved in its current form, we cannot predict the final outcome of this matter or whether such outcome or ultimate resolution of this matter could materially affect our results of operations, cash flows or financial position. No amount in respect of any potential judgment in this matter has been accrued in our consolidated financial statements.

Pension Plan Litigation

March 2003 Action

In March 2003, a lawsuit seeking class action status was filed against us in federal court in Connecticut on behalf of 46 specified former employees relating to our retirement plans. As noted below, during the fourth quarter of 2004 most of the counts in the complaint were dismissed. The complaint, as amended in July 2003 (the Amended Complaint), sets forth the following putative class:

Current D&B employees who are participants in The Dun & Bradstreet Corporation Retirement Account and were previously participants in its predecessor plan, The Dun & Bradstreet Master Retirement Plan;

Current employees of Receivable Management Services Corporation (RMSC) who are participants in The Dun & Bradstreet Corporation Retirement Account and were previously participants in its predecessor plan, The Dun & Bradstreet Master Retirement Plan;

Former employees of D&B or D&B s Receivable Management Services (RMS) operations who received a deferred vested retirement benefit under either The Dun & Bradstreet Corporation Retirement Account or The Dun & Bradstreet Master Retirement Plan; and

Former employees of D&B s RMS operations whose employment with D&B terminated after the sale of the RMS operations but who are not employees of RMSC and who, during their employment with D&B, were Eligible Employees for purposes of The Dun & Bradstreet Career Transition Plan.

The Amended Complaint estimates that the proposed class covers over 5,000 individuals.

There are four counts in the Amended Complaint. Count 1 claims that we violated ERISA by not paying severance benefits to plaintiffs under our Career Transition Plan. Count 2 claims a violation of ERISA in that our sale of the RMS business to RMSC and the resulting termination of our employees constituted a prohibited discharge of the plaintiffs and/or discrimination against the plaintiffs for the intentional purpose of interfering with their employment and/or attainment of employee benefit rights which they might otherwise have attained. Count 3 claims that the plaintiffs were materially harmed by our alleged violation of ERISA s requirements that a summary plan description reasonably apprise participants and beneficiaries of their rights and obligations under the plans and that, therefore, undisclosed plan provisions (in this case, the actuarial

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deduction beneficiaries incur when they leave D&B before age 55 and elect to retire early) cannot be enforced against them. Count 4 claims that the 6.60% interest rate (the rate is actually 6.75%) used to actuarially reduce early retirement benefits is unreasonable and, therefore, results in a prohibited forfeiture of benefits under ERISA.

In the Amended Complaint, the plaintiffs sought payment of severance benefits; equitable relief in the form of either reinstatement of employment with D&B or restoration of employee benefits (including stock options); invalidation of the actuarial reductions applied to deferred vested early retirement benefits, including invalidation of the plan rate of 6.60% (the actual rate is 6.75%) used to actuarially reduce former employees early retirement benefits; attorneys fees and such other relief as the court may deem just.

We deny all allegations of wrongdoing and are aggressively defending the case. In September 2003, we filed a motion to dismiss Counts 1, 3 and 4 of the Amended Complaint on the ground that plaintiffs cannot prevail on those claims under any set of facts, and in February 2004, the Court heard oral argument on our motion. With respect to Count 4, the court requested that the parties conduct limited expert discovery and submit further briefing. In November 2004, after completion of expert discovery on Count 4, we moved for summary judgment on Count 4 on the ground that an interest rate of 6.75% is reasonable as a matter of law. On November 30, 2004, the Court issued a ruling granting our motion to dismiss Counts 1 and 3. Shortly after that ruling, plaintiffs counsel stipulated to dismiss with prejudice Count 2 (which challenged the sale of the RMS business as an intentional interference with employee benefit rights, but which the motion to dismiss did not address). Plaintiffs counsel also stipulated to a dismissal with prejudice of Count 1, the severance pay claim, agreeing to forego any appeal of the Court s dismissal of that claim. Plaintiffs counsel did file a motion to join party plaintiffs and to amend the Amended Complaint to add a new count challenging the adequacy of the retirement plan s mortality tables. The Court granted the motion and we filed our objections. On June 6, 2005, the Court granted D&B s motion for summary judgment as to Count 4 (the interest rate issue) and also denied the plaintiffs motion to further amend the Amended Complaint to add a new claim challenging the mortality tables. On July 8, 2005, the plaintiffs filed their notice of appeal; they are appealing the ruling granting the motion to dismiss, the ruling granting summary judgment, and the denial of leave to amend their Amended Complaint. Oral Argument before the Second Circuit took place on February 15, 2006. A decision is expected within six weeks.

While we believe we have strong defenses in this matter, we are unable to predict at this time the final outcome of this matter or whether the resolution of this matter could materially affect our results of operations, cash flows or financial position. No amount in respect of this matter has been accrued in our consolidated financial statements.

September 2005 Action

In addition to the foregoing proceeding, a lawsuit seeking class action status was filed in September of 2005 against us in federal court in the Northern District of Illinois on behalf of a current employee relating to our retirement plans. The complaint (the Complaint) seeks certification of the following putative class: Current or former D&B employees (other than employees who on December 31, 2001 (i) were at least age 50 with 10 years of vesting service, (ii) had attained an age which, when added to his or her years of vesting service, was equal to or greater than 70; or (iii) had attained age 65), who participated in The Dun & Bradstreet Master Retirement Plan before January 1, 2002 and who have participated in The Dun & Bradstreet Corporation Retirement Account at any time since January 1, 2002.

The Complaint estimates that the proposed class covers over 1,000 individuals.

There are five counts in the Complaint. Count 1 claims that we violated ERISA by reducing the rate of an employee s benefit accrual on the basis of age. Count 2 claims a violation of ERISA s non-forfeitability requirement, because the plan allegedly conditions receipt of cash balance benefits on foregoing the early retirement benefits plaintiff earned prior to the adoption of the cash balance amendment. Count 3 claims that

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Notes to Consolidated Financial Statements (Continued)
(Tabular dollar amounts in millions, except per share data)

the cash balance plan violates ERISA s anti-backloading rule. Count 4 claims that D&B failed to supply advance notice of a significant benefit decrease. Count 5 claims that D&B failed to provide an adequate Summary Plan Description.

In the Complaint, the plaintiff seeks (1) a declaration that (a) D&B s cash balance plan is ineffective and that the D&B Master Retirement Plan is still in force and effect, and (b) plaintiff s benefit accrual under the cash balance plan must be unconditional and not reduced because of age, (2) an injunction (a) prohibiting the application of the cash balance plan s reduction in the rate of benefit accruals because of age and its conditions of benefits due under the plan, and (b) ordering appropriate equitable relief to determine plan participant losses caused by D&B s payment of benefits under the cash balance plan s terms and requiring the payment of additional benefits as appropriate, (3) attorneys fees and costs, (4) interest, and (5) such other relief as the court may deem just.

A Motion to Transfer Venue to the District of New Jersey was filed on January 27, 2006. A decision is expected by the end of March 2006.

We believe we have strong defenses in this matter and we will deny all allegations of wrongdoing and aggressively defend the case.

We are unable to predict at this time the final outcome of this matter or whether the resolution of this matter could materially affect our results of operations, cash flows or financial position. No amount in respect of this matter has been accrued in our consolidated financial statements.

Other

In addition, in the normal course of business, D&B indemnifies other parties, including customers, lessors and parties to other transactions with D&B, with respect to certain matters. D&B has agreed to hold the other parties harmless against losses arising from a breach of representations or covenants, or arising out of other claims made against certain parties. These agreements may limit the time within which an indemnification claim can be made and the amount of the claim. D&B has also entered into indemnity obligations with its officers and directors of the Company. Additionally, in certain circumstances, D&B issues guarantee letters on behalf of our wholly owned subsidiaries for specific situations. It is not possible to determine the maximum potential amount of future payments under these indemnification agreements due to the limited history of prior indemnification claims and the unique facts and circumstances involved in each particular agreement. Historically, payments made by D&B under these agreements have not had a material impact on our consolidated financial statements.

Note 14. Segment Information

The operating segments reported below are our segments for which separate financial information is available and upon which operating results are evaluated by management on a timely basis to assess performance and to allocate resources. On January 1, 2005, we began managing our operations in Canada as part of our International segment. As part of this change, our results are reported under the following two segments: United States (U.S.) and International. We have conformed historical amounts to reflect the new segment structure. Our customer solution sets are Risk Management Solutions, Sales & Marketing Solutions, E-Business Solutions and Supply Management Solutions. Inter-segment sales are immaterial and no single customer accounted for 10% or more of our total revenues. For management reporting purposes, we evaluate business segment performance before restructuring charges because restructuring charges are not a component of our ongoing income or expenses and may have a disproportionate positive or negative impact on the results of our ongoing underlying business (see Item 7. Management s Discussion and Analysis of Financial Condition and Results of Operations, under the heading How We Manage Our Business for further details). Additionally, transition costs, which are period costs such as consulting fees, costs of temporary

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employees, relocation costs and stay bonuses incurred to implement our Financial Flexibility Program, are not allocated to our business segments.

	Year Ended December 31,		
	2005	2004	2003
Operating Revenues:			
U.S.	$ 1,087.8	$ 1,004.9	$ 927.6
International	355.8	409.1	458.8
Consolidated Total	$ 1,443.6	$ 1,414.0	$ 1,386.4
Operating Income (Loss):			
U.S.	$ 405.5	$ 354.9	$ 320.3
International	62.2	74.7	69.5
Total Divisions	467.7	429.6	389.8
Corporate and Other(1)	(103.7)	(110.8)	(98.0)
Consolidated Total	364.0	318.8	291.8
Non-Operating (Expense) Income Net	(9.9)	22.0	(11.4)
Income before Provision for Income Taxes	$ 354.1	$ 340.8	$ 280.4
Depreciation and Amortization:(2)			
U.S.	$ 27.2	$ 35.4	$ 40.8
International	8.6	11.2	19.9
Total Divisions	35.8	46.6	60.7
Corporate and Other	0.3	0.7	3.3
Consolidated Total	$ 36.1	$ 47.3	$ 64.0
Capital Expenditures:			
U.S.	$ 4.0	$ 6.6	$ 7.6
International	1.6	5.3	3.4
Total Divisions	5.6	11.9	11.0
Corporate and Other	0.1	0.2	
Consolidated Total	$ 5.7	$ 12.1	$ 11.0
Additions to Computer Software and Other Intangibles:			
U.S.	$ 18.1	$ 14.0	$ 16.5
International	4.8	2.6	2.8

Total Divisions	22.9	16.6	19.3
Corporate and Other		0.1	
Consolidated Total	$ 22.9	$ 16.7	$ 19.3
Assets:			
U.S.	$ 452.8	$ 423.3	$ 423.5
International	464.2	499.5	574.4
Total Divisions	917.0	922.8	997.9
Corporate and Other (primarily domestic pensions and taxes)	696.4	712.7	626.8
Consolidated Total	$ 1,613.4	$ 1,635.5	$ 1,624.7

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	Year Ended December 31,		
	2005	**2004**	**2003**
Goodwill:(3)			
U.S.	$ 122.9	$ 110.9	$ 118.0
International	97.3	106.1	138.9
Consolidated Total	$ 220.2	$ 217.0	$ 256.9
Supplemental Geographic and Customer Solution Set Information:			
Long-Lived Assets:			
U.S.	$ 568.2	$ 577.0	$ 637.6
International	125.1	140.3	172.7
Consolidated Total	$ 693.3	$ 717.3	$ 810.3
Customer Solution Set Revenues:			
U.S.:			
Risk Management Solutions	$ 655.7	$ 613.0	$ 577.3
Sales & Marketing Solutions	331.5	312.3	288.2
E-Business Solutions	67.2	49.9	29.0
Supply Management Solutions	33.4	29.7	33.1
Total U.S. Core Revenue	1,087.8	1,004.9	927.6
Divested Businesses			
Total U.S. Revenue	1,087.8	1,004.9	927.6
International:			
Risk Management Solutions	297.5	269.0	227.0
Sales & Marketing Solutions	51.3	55.9	54.2
E-Business Solutions	2.8	0.1	
Supply Management Solutions	4.2	4.6	4.9
Total International Core Revenue	355.8	329.6	286.1
Divested Businesses		79.5	172.7
Total International Revenue	355.8	409.1	458.8
Consolidated Total:			
Risk Management Solutions	953.2	882.0	804.3
Sales & Marketing Solutions	382.8	368.2	342.4
E-Business Solutions	70.0	50.0	29.0
Supply Management Solutions	37.6	34.3	38.0

Consolidated Total Core Revenue	1,443.6	1,334.5	1,213.7
Divested Businesses		79.5	172.7
Consolidated Total Revenue	$ 1,443.6	$ 1,414.0	$ 1,386.4

(1) The following table itemizes Corporate and Other :

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Notes to Consolidated Financial Statements (Continued)
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	Year Ended December 31,		
	2005	2004	2003
Operating Income (Loss):			
Corporate Costs	$ (51.5)	$ (58.2)	$ (44.5)
Transition Costs (Costs to implement our Financial Flexibility Program)	(21.5)	(20.6)	(22.3)
Restructuring Expense	(30.7)	(32.0)	(17.4)
Loss on High Wycombe Building Sale			(13.8)
Total Corporate and Other	$ (103.7)	$ (110.8)	$ (98.0)

(2) Includes depreciation and amortization of Property, Plant and Equipment, Computer Software, and Other Intangibles.

(3) The increase in goodwill in the U.S. from $110.9 million at December 31, 2004 to $122.9 million at December 31, 2005 is attributable to the acquisition of LiveCapital, Inc. (see Note 4 to our consolidated financial statements included in this Annual Report on Form 10-K). The decrease in goodwill in International from $106.1 million at December 31, 2004 to $97.3 million at December 31, 2005 is attributable to the negative impact of foreign currency translation.
The decrease in goodwill in the U.S. from $118.0 million at December 31, 2003 to $110.9 million at December 31, 2004 is primarily attributed to an adjustment for additional net operating loss carryovers from the Hoover s acquisition that resulted from an Internal Revenue Service pronouncement. The decrease in goodwill in International from $138.9 million at December 31, 2003 to $106.1 million at December 31, 2004 is primarily attributed to the sales of operations in Iberia, France, Central Europe, the Nordic Region and India (see Note 3 to our consolidated financial statements included in this Annual Report on Form 10-K), partially offset by the positive effect of foreign currency translation and the acquisition of a controlling interest in RIBES S.p.A (see Note 4 to our consolidated financial statements included in this Annual Report on Form 10-K).

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Note 15. Supplemental Financial Data

Other Accrued and Current Liabilities:

	At December 31,	
	2005	**2004**
Restructuring Accruals	$ 9.4	$ 9.3
Professional Fees	27.4	27.5
Operating Expenses	27.0	31.5
Spin-Off Obligation(1)	35.0	21.3
Other Accrued Liabilities	61.7	52.2
	$ 160.5	$ 141.8

(1) As part of our spin-off from Moody s/D&B2 in 2000, Moody s and us entered into a Tax Allocation Agreement dated as of September 30, 2000 (the TAA). Under the TAA, Moody s/D&B2 and D&B agreed that Moody s/D&B2 would be entitled to deduct compensation expense associated with the exercise of Moody s/D&B2 stock options (including Moody s/D&B2 options exercised by D&B employees) and we would be entitled to deduct the compensation expense associated with the exercise of D&B stock options (including D&B options exercised by employees of Moody s/D&B2). In other words, the tax deduction goes to the company that issued the stock options. The TAA provides, however, that if the IRS issues rules, regulations or other authority contrary to the agreed upon treatment of the tax deductions thereunder, then the party that becomes entitled under such new guidance to take the deduction may be required to reimburse the tax benefit it has realized, in order to indemnify the other party for its loss of such deduction. The IRS issued rulings discussing an employer s entitlement to stock option deductions after a spin-off or liquidation that appear to require that the tax deduction belongs to the employer of the optionee and not the issuer of the option. Accordingly, under the TAA, we received the benefit of additional tax deductions and under the TAA we may be required to reimburse Moody s/D&B2 for the loss of income tax deductions relating to 2002 to 2005 of approximately $35.0 million in the aggregate for such years. This potential reimbursement is a reduction to Shareholders Equity and has no impact on EPS.

Property, Plant and Equipment at cost Net:

	At December 31,	
	2005	**2004**
Land	$ 4.7	$ 4.7
Buildings	29.2	29.1
Machinery and Equipment	176.7	196.3
	210.6	230.1
Less: Accumulated Depreciation	173.6	186.9
	37.0	43.2
Leasehold Improvements, less:		

Accumulated Amortization of $16.6 and $15.6	7.2	8.0
	$ 44.2	$ 51.2

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Other Income (Expense) Net:

	For the Years Ended December 31,		
	2005	**2004**	**2003**
Miscellaneous Other Income (Expense) Net	$	$ 1.0	$ (1.9)
Gain on Sales of Investments	3.5	1.2	0.4
Final resolution of all disputes on the sale of our French business	(3.7)		
Gains (Losses) on Sales of Businesses(2)		30.3	(2.5)
Lower costs related to the sale of the Iberian business	0.8		
Insurance Recovery			7.0
	$ 0.6	$ 32.5	$ 3.0

(2) See Note 3 to our consolidated financial statements included in this Annual Report on Form 10-K.

Computer Software and Goodwill:

	Computer Software	**Goodwill**
January 1, 2004	$ 47.2	$ 256.9
Additions at cost	16.4	
Amortization	(31.4)	
Divestitures	(0.1)	(44.0)
Acquisitions	0.9	(3.8)
Other(3)	(0.6)	7.9
December 31, 2004	32.4	217.0
Additions at cost	24.6	
Amortization	(23.1)	
Acquisitions(4)		11.1
Other(3)	(1.9)	(7.9)
December 31, 2005	$ 32.0	$ 220.2

(3) Impact of foreign currency fluctuations.

(4) Primarily due to the acquisition of LiveCapital, Inc. See Note 4 to our consolidated financial statements included in this Annual Report on Form 10-K.

Other Intangibles (included in Other Non-Current Assets):

	Customer Lists	Trademarks, Patents and Other	Total
January 1, 2004	$ 7.6	$ 5.2	$ 12.8
Additions at cost	3.1		3.1
Amortization	(2.5)		(2.5)
Disposals		1.4	1.4
Other(5)	0.2	0.3	0.5
December 31, 2004	8.4	6.9	15.3

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	Customer Lists	Trademarks, Patents and Other	Total
Acquisitions(4)		1.8	1.8
Amortization	(2.5)		(2.5)
Write-offs	(0.4)		(0.4)
Other(5)	(0.3)	(0.2)	(0.5)
December 31, 2005	$ 5.2	$ 8.5	$ 13.7

(5) Impact of foreign currency fluctuations.

Allowance for Doubtful Accounts:

January 1, 2003	$ 23.0
Additions charged to costs and expenses	4.1
Write-offs	(5.3)
December 31, 2003	21.8
Additions charged to costs and expenses	6.5
Write-offs	(7.9)
Divestitures	(1.9)
Other	0.9
December 31, 2004	19.4
Additions charged to costs and expenses	6.0
Write-offs	(2.5)
Other	(0.9)
December 31, 2005	$ 22.0

Deferred Tax Asset Valuation Allowance:	
January 1, 2003	$ 56.8
Additions charged (credited) to costs and expenses	21.9
Additions charged (credited) to other accounts(6)	(2.3)
December 31, 2003	76.4
Additions charged (credited) to costs and expenses	9.3
Additions charged (credited) due to divestitures	(29.1)
Additions charged (credited) to other accounts(6)	(0.7)
December 31, 2004	55.9
Additions charged (credited) to costs and expenses	0.5
Additions charged (credited) due to foreign currency fluctuations(7)	(4.4)

December 31, 2005	$ 52.0

(6) Amount represents a decrease to goodwill associated with the Datahouse acquisition. See Note 4 to our consolidated financial statements included in this Annual Report on Form 10-K.

(7) Amount represents a decrease in Deferred Tax Asset and Deferred Tax Valuation Allowance due to foreign currency fluctuations.

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Note 16. Quarterly Financial Data (Unaudited)

	For the Three-Months Ended				
	March 31	**June 30**	**September 30**	**December 31**	**Full Year**
2005					
Operating Revenues:					
U.S.	$ 263.2	$ 253.7	$ 259.0	$ 311.9	$ 1,087.8
International	78.1	98.0	82.6	97.1	355.8
Consolidated Operating Revenues	$ 341.3	$ 351.7	$ 341.6	$ 409.0	$ 1,443.6
Operating Income (Loss):					
U.S.	$ 98.1	$ 82.3	$ 87.3	$ 137.8	$ 405.5
International	1.9	20.5	13.1	26.7	62.2
Total Divisions	100.0	102.8	100.4	164.5	467.7
Corporate and Other(1)	(28.0)	(26.6)	(21.2)	(27.9)	(103.7)
Consolidated Operating Income	$ 72.0	$ 76.2	$ 79.2	$ 136.6	$ 364.0
Net Income	$ 52.1	$ 47.1	$ 31.7	$ 90.3	$ 221.2
Basic Earnings Per Share of Common Stock(2)	$ 0.76	$ 0.70	$ 0.48	$ 1.37	$ 3.31
Diluted Earnings Per Share of Common Stock(2)	$ 0.73	$ 0.67	$ 0.46	$ 1.32	$ 3.19
2004					
Operating Revenues:					
U.S.	$ 242.2	$ 236.1	$ 240.2	$ 286.4	$ 1,004.9
International	101.2	113.8	93.0	101.1	409.1
Consolidated Operating Revenues	$ 343.4	$ 349.9	$ 333.2	$ 387.5	$ 1,414.0
Operating Income (Loss):					
U.S.	$ 85.3	$ 70.2	$ 81.0	$ 118.4	$ 354.9
International	9.3	23.0	13.5	28.9	74.7
Total Divisions	94.6	93.2	94.5	147.3	429.6
Corporate and Other(1)	(29.1)	(28.6)	(21.6)	(31.5)	(110.8)
Consolidated Operating Income	$ 65.5	$ 64.6	$ 72.9	$ 115.8	$ 318.8

Net Income	$	49.8	$	39.5	$	47.5	$	75.0	$	211.8
Basic Earnings Per Share of Common Stock(2)	$	0.69	$	0.56	$	0.68	$	1.09	$	3.01
Diluted Earnings Per Share of Common Stock(2)	$	0.66	$	0.54	$	0.65	$	1.04	$	2.90

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Notes to Consolidated Financial Statements (Continued)
(Tabular dollar amounts in millions, except per share data)

(1) The following table itemizes the components of the Corporate and Other category of Operating Income (Loss)

	For the Three Months Ended				
	March 31	June 30	September 30	December 31	Full Year
Operating Income (Loss):					
2005:					
Corporate Costs	$ (11.8)	$ (12.0)	$ (12.3)	$ (15.4)	$ (51.5)
Restructuring Expense	(10.4)	(6.5)	(4.7)	(9.1)	(30.7)
Transition Costs (Costs to implement our Financial Flexibility Program)	(5.8)	(8.1)	(4.2)	(3.4)	(21.5)
Total	$ (28.0)	$ (26.6)	$ (21.2)	$ (27.9)	$ (103.7)
2004:					
Corporate Costs	$ (14.8)	$ (14.6)	$ (14.9)	$ (13.9)	$ (58.2)
Restructuring Expense	(10.2)	(8.0)	(2.7)	(11.1)	(32.0)
Transition Costs (Costs to implement our Financial Flexibility Program)	(4.1)	(6.0)	(4.0)	(6.5)	(20.6)
Total	$ (29.1)	$ (28.6)	$ (21.6)	$ (31.5)	$ (110.8)

(2) The number of weighted average shares outstanding changes as common shares are issued for employee benefit plans and other purposes or as shares are repurchased. For this reason, the sum of quarterly earnings per share may not be the same as earnings per share for the year.

Note 17. Subsequent Events

Addition to Existing Share Repurchase Program

On January 31, 2006, our Board of Directors approved the addition of $100 million to our existing $400 million two-year share repurchase program, of which $200.0 million was repurchased during the year ended December 31, 2005. We expect that the share repurchase program will be funded from cash provided by operating activities, supplemented as needed with readily available financing arrangements. The program is to be completed by the end of fiscal year 2006 and we plan to buy a total of $300 million under our special share repurchase program in 2006. This amount is in addition to our existing repurchase program to offset the dilutive effect of shares issued under our stock incentive plans and Employee Stock Purchase Plan. For the year ended December 31, 2005, we repurchased 3,179,840 shares under this program at an aggregate cost of $200.0 million.

Financial Flexibility Program

On January 31, 2006, the Board of Directors approved our 2006 Financial Flexibility Program. Through this program, we will create financial flexibility through a number of initiatives in 2006, including:

Eliminating, standardizing, and consolidating redundant technology platforms, software licenses and maintenance agreements;

Standardizing and consolidating customer service teams and processes to increase productivity and capacity utilization;

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Notes to Consolidated Financial Statements (Continued)
(Tabular dollar amounts in millions, except per share data)

Consolidating our vendors to improve purchasing power; and

Improving operating efficiencies of facilities.

We expect to complete all actions under the 2006 program by December 2006. On an annualized basis, these actions are expected to create $70 million to $75 million of financial flexibility, of which approximately $50 million to $55 million will be generated in 2006, before any transition costs and restructuring charges and before any reallocation of spending. To implement these initiatives, we expect to incur transition costs of approximately $15 million. In addition, we expect to incur non-core charges totaling $23 million to $28 million pre-tax, of which $10 million to $14 million relate to severance, approximately $9 million to $10 million relate to lease termination obligations and approximately $4 million relate to other exit costs in 2006. Approximately $36 million to $41 million of these transition costs and restructuring charges are expected to result in cash expenditures. In addition, as a result of this re-engineering program, we expect that approximately 125 to 150 positions will be eliminated globally.

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Item 9. *Changes in and Disagreements with Accountants on Auditing and Financial Disclosure*

Not Applicable.

Item 9A. *Controls and Procedures*

Evaluation of Disclosure Controls

We evaluated the effectiveness of our disclosure controls and procedures (Disclosure Controls) as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (Exchange Act) as of the end of the period covered by this report. This evaluation (Controls Evaluation) was done with the participation of our Chief Executive Officer (CEO) and Chief Financial Officer (CFO).

Disclosure Controls are controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Limitations on the Effectiveness of Controls

Our management, including our CEO and CFO, does not expect that our Disclosure Controls or our internal control over financial reporting will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable assurance that the objectives of a control system are met. Further, any control system reflects limitations on resources, and the benefits of a control system must be considered relative to its costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within D&B have been detected. Judgments in decision-making can be faulty and breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by individual acts, by collusion of two or more people, or by management override. A design of a control system is also based upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected. Our Disclosure Controls are designed to provide reasonable assurance of achieving their objectives.

Conclusions regarding Disclosure Controls

Based upon our Controls Evaluation, our CEO and CFO have concluded that as of the end of our fiscal year ended December 31, 2005, our Disclosure Controls are effective at a reasonable assurance level.

Management s Report on Internal Control over Financial Reporting

Management s Report on Internal Control Over Financial Reporting and Management's Statement of Management's Responsibility for Financial Statements are contained in Item 8 of this Annual Report on Form 10-K.

Attestation Report of the Independent Registered Public Accounting Firm

The attestation report of our independent registered public accounting firm on our management s assessment of internal control over financial reporting is contained in Item 8 of this Annual Report Form 10-K.

Change in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the fourth quarter of 2005 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. *Other Information*

Not applicable.

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PART III

Item 10. ***Directors and Executive Officers of the Registrant***

The information required to be filed by this Item 10. Directors and Executive Officers of the Registrant, is incorporated herein by reference from our Notice of Annual Meeting of Stockholders and Proxy Statement to be filed within 120 days after D&B s fiscal year end of December 31, 2005 (the Proxy Statement).

Item 11. ***Executive Compensation***

The information required to be filed by this Item 11. Executive Compensation, is incorporated herein by reference from our Proxy Statement. Such incorporation by reference shall not be deemed to specifically incorporate by reference the information referred to in Item 402(a)(8) of Regulation S-K.

Item 12. ***Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters***

The information required to be filed by this Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters, is incorporated herein by reference from our Proxy Statement.

Item 13. ***Certain Relationships and Related Transactions***

The information required to be filed by this Item 13. Certain Relationships and Related Transactions, is incorporated herein by reference from our Proxy Statement.

Item 14. ***Principal Accountant Fees and Services***

The information required to be filed by this Item 14. Principal Accountant Fees and Services, is incorporated herein by reference from our Proxy Statement.

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PART IV

Item 15. ***Exhibits and Financial Statement Schedules***

(a) List of documents filed as part of this report.

(1) *Financial Statements.*

See Index to Financial Statements and Schedules in Part II, Item 8 of this Form 10-K.

(2) *Financial Statement Schedules.*

None.

(b) Exhibits.

See Index to Exhibits of this Annual Report on the Form 10-K.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on February 28, 2006.

The Dun & Bradstreet Corporation
(Registrant)

By: /s/ Steven W. Alesio
Steven W. Alesio
Chairman and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on February 28, 2006.

/s/ Steven W. Alesio Steven W. Alesio	Director, Chairman and Chief Executive Officer (principal executive officer)
/s/ Sara Mathew Sara Mathew	Chief Financial Officer and President, D&B International (principal financial officer)
/s/ Anastasios G. Konidaris Anastasios G. Konidaris	Senior Vice President, Finance Operations (principal accounting officer)
/s/ John W. Alden John W. Alden	Director
/s/ Christopher J. Coughlin Christopher J. Coughlin	Director
/s/ James N. Fernandez James N. Fernandez	Director
/s/ Ronald L. Kuehn, Jr. Ronald L. Kuehn, Jr.	Director
/s/ Victor A. Pelson Victor A. Pelson	Director
/s/ Sandra E. Peterson Sandra E. Peterson	Director

/s/ Michael R. Quinlan	Director
Michael R. Quinlan	
/s/ Naomi O. Seligman	Director
Naomi O. Seligman	
/s/ Michael J. Winkler	Director
Michael J. Winkler	

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INDEX TO EXHIBITS

Exhibit Number	
3	**Articles of Incorporation and By-laws**
3.1	Restated Certificate of Incorporation of the Registrant, as amended effective October 1, 2000 (incorporated by reference to Exhibit 3.1 to Registrant s Report on Form 8-K, file number 1-15967, filed October 4, 2000) and Certificate of Designation for the Series A Junior Participating Preferred Stock as Exhibit A to the Rights Agreement, dated as of August 15, 2000, between the Registrant (f.k.a. The New D&B Corporation) and EquiServe Trust Company, N.A., as Rights Agent (incorporated by reference to Exhibit 1 to the Registrant s Registration Statement on Form 8-A, file number 1-15967, filed September 15, 2000).
3.2	Amended and Restated By-laws of the Registrant (incorporated by reference to Exhibit 3.2 to Registrant s Registration Statement on Form 10, file number 1-15967, filed June 27, 2000).
4	**Instruments Defining the Rights of Security Holders, Including Indentures**
4.1	Specimen Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Registrant s Registration Statement on Form 10, file number 1-15967, filed September 11, 2000).
4.2	Rights Agreement, dated as of August 15, 2000, between the Registrant (f.k.a. The New D&B Corporation) and EquiServe Trust Company, N.A., as Rights Agent, which includes the Certificate of Designation for the Series A Junior Participating Preferred Stock as Exhibit A thereto, the Form of Right Certificate as Exhibit B thereto and the Summary of Rights to Purchase Preferred Shares as Exhibit C thereto (incorporated by reference to Exhibit 1 to the Registrant s Registration Statement on Form 8-A, file number 1-15967, filed September 15, 2000).
4.3	Five-Year Credit Agreement, dated September 1, 2004, among The Dun & Bradstreet Corporation, the Borrowing Subsidiaries Party thereto, JPMorgan Chase Bank, as Administrative Agent, Bank of Tokyo-Mitsubishi Trust Company and Citicorp USA, Inc., as Syndication Agents, The Bank of New York and Suntrust Bank, as Documentation Agents and the Lenders Party thereto (incorporated by reference to Exhibit 4.1 to Registrant s Report on Form 8-K, file number 1-15967, filed September 3, 2004).
4.4	Indenture dated as of March 22, 2001 by and between the Registrant and The Bank of New York, as Trustee (incorporated by reference to Exhibit 4.1 to Registrant s Quarterly Report on Form 10-Q, file number 1-15967, filed May 15, 2001).
4.5	Forms of 6.625% Senior Notes due 2006 (incorporated by reference to Exhibit 4.2 to Registrant s Quarterly Report on Form 10-Q, file number 1-15967, filed May 15, 2001).
10	**Material Contracts**
10.1	Distribution Agreement, dated as of September 30, 2000, between Moody s Corporation (f.k.a. The Dun & Bradstreet Corporation) and the Registrant (f.k.a. The New D&B Corporation) (incorporated by reference to Exhibit 10.1 to the Registrant s Report on Form 8-K, file number 1-15967, filed October 4, 2000).

10.2 Tax Allocation Agreement, dated as of September 30, 2000, between Moody s Corporation (f.k.a. The Dun & Bradstreet Corporation) and the Registrant (f.k.a. The New D&B Corporation) (incorporated by reference to Exhibit 10.2 to the Registrant s Report on Form 8-K, file number 1-15967, filed October 4, 2000).

10.3 Employee Benefits Agreement, dated as of September 30, 2000, between Moody s Corporation (f.k.a. The Dun & Bradstreet Corporation) and the Registrant (f.k.a. The New D&B Corporation) (incorporated by reference to Exhibit 10.3 to the Registrant s Report on Form 8-K, file number 1- 15967, filed October 4, 2000).

10.4 Undertaking of the Registrant (f.k.a. The New D&B Corporation), dated September 30, 2000, to Cognizant Corporation and ACNielsen Corporation (incorporated by reference to Exhibit 10.9 to the Registrant s Report on Form 8-K, file number 1-15967, filed October 4, 2000).

10.5 Undertaking of the Registrant (f.k.a. The New D&B Corporation), dated September 30, 2000, to R.H. Donnelley Corporation (incorporated by reference to Exhibit 10.10 to the Registrant s Report on Form 8-K, file number 1-15967, filed October 4, 2000).

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Exhibit Number	
10.6	Distribution Agreement, dated as of June 30, 1998, between R.H. Donnelley Corporation (f.k.a. The Dun & Bradstreet Corporation) and Moody s Corporation (f.k.a. The New Dun & Bradstreet Corporation) (incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q of Moody s Corporation, file number 1-14037, filed August 14, 1998).
10.7	Tax Allocation Agreement, dated as of June 30, 1998, between R.H. Donnelley Corporation (f.k.a. The Dun & Bradstreet Corporation) and Moody s Corporation (f.k.a. The New Dun & Bradstreet Corporation) (incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q of Moody s Corporation, file number 1-14037, filed August 14, 1998).
10.8	Employee Benefits Agreement, dated as of June 30, 1998, between R.H. Donnelley Corporation (f.k.a. The Dun & Bradstreet Corporation) and Moody s Corporation (f.k.a. The New Dun & Bradstreet Corporation) (incorporated by reference to Exhibit 10.3 to the Quarterly Report on Form 10-Q of Moody s Corporation, file number 1-14037, filed August 14, 1998).
10.9	Distribution Agreement, dated as of October 28, 1996, among R.H. Donnelley Corporation (f.k.a. The Dun & Bradstreet Corporation), Cognizant Corporation and ACNielsen Corporation (incorporated by reference to Exhibit 10(x) to the Annual Report on Form 10-K of R.H. Donnelley Corporation (f.k.a. The Dun & Bradstreet Corporation) for the year ended December 31, 1996, file number 1-7155, filed March 27, 1997).
10.10	Tax Allocation Agreement, dated as of October 28, 1996, among R.H. Donnelley Corporation (f.k.a. The Dun & Bradstreet Corporation), Cognizant Corporation and ACNielsen Corporation (incorporated by reference to Exhibit 10(y) to the Annual Report on Form 10-K of R.H. Donnelley Corporation (f.k.a. The Dun & Bradstreet Corporation) for the year ended December 31, 1996, file number 1-7155, filed March 27, 1997).
10.11	Employee Benefits Agreement, dated as of October 28, 1996, among R.H. Donnelley Corporation (f.k.a. The Dun & Bradstreet Corporation), Cognizant Corporation and ACNielsen Corporation (incorporated by reference to Exhibit 10(z) to the Annual Report on Form 10-K of R.H. Donnelley Corporation (f.k.a. The Dun & Bradstreet Corporation) for the year ended December 31, 1996, file number 1-7155, filed March 27, 1997).
10.12	Amended and Restated Indemnity and Joint Defense Agreement among the Registrant, VNU, N.V., VNU, Inc. ACNielsen Corporation, AC Nielsen (U.S.), Inc., Nielsen Media Research, Inc., R.H. Donnelley Corporation, Moody s Corporation and IMS Health Incorporated (incorporated by reference to Exhibit 10.12 to the Registrant s Quarterly Report on Form 10-Q, file number 1-15967, filed August 4, 2004).
10.13	Amended and Restated Agreement of Limited Partnership of D&B Investors L.P., dated April 1, 1997 (incorporated by reference to Exhibit 10.14 to the Quarterly Report on Form 10-Q of Moody s Corporation, file number 1-14037, filed August 14, 1998).
10.14	

D&B Guaranty, dated as of April 1, 1997, given by The Dun & Bradstreet Corporation in favor of Utrecht-America Finance Co. and Leiden Inc. (as assumed by the Registrant) (incorporated by reference to Exhibit 10.19 to the Registrant s Quarterly Report on Form 10-Q, file number 1-15967, filed November 14, 2000).

10.15 The Dun & Bradstreet Executive Transition Plan (incorporated by reference to Exhibit 10.20 to the Registrant s Quarterly Report on Form 10-Q, file number 1-15967, filed November 14, 2000).

10.16 Forms of Change in Control Severance Agreements (incorporated by reference to Exhibit 10.21 to the Registrant s Quarterly Report on Form 10-Q, file number 1-15967, filed November 14, 2000).

10.17 Pension Benefit Equalization Plan of The Dun & Bradstreet Corporation (incorporated by reference to Exhibit 10.22 to the Registrant s Quarterly Report on Form 10-Q, file number 1-15967, filed November 14, 2000).

10.18 Supplemental Executive Benefit Plan of The Dun & Bradstreet Corporation (incorporated by reference to Exhibit 10.23 to the Registrant s Quarterly Report on Form 10-Q, file number 1-15967, filed November 14, 2000).

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Exhibit Number	
10.19	Profit Participation Benefit Equalization Plan of The Dun & Bradstreet Corporation (incorporated by reference to Exhibit 10.24 to the Registrant s Quarterly Report on Form 10-Q, file number 1-15967, filed November 14, 2000).
10.20	The Dun & Bradstreet Corporation Non-Employee Directors Deferred Compensation Plan (as Amended and Restated effective December 6, 2005) (incorporated by reference to Exhibit 10.2 to the Registrant s Report on Form 8-K, file number 1-15967, filed December 12, 2005).
10.21	The Dun & Bradstreet Career Transition Plan (incorporated by reference to Exhibit 10.26 to the Registrant s Annual Report on Form 10-K, file number 1-15967, filed March 4, 2002).
10.22	2000 Dun & Bradstreet Corporation Replacement Plan for Certain Directors Holding Dun & Bradstreet Corporation Equity-Based Awards (incorporated by reference to Exhibit 10.27 to the Registrant s Quarterly Report on Form 10-Q, file number 1-15967, filed November 14, 2000).
10.23	2000 Dun & Bradstreet Corporation Replacement Plan for Certain Employees Holding Dun & Bradstreet Corporation Equity-Based Awards (incorporated by reference to Exhibit 10.28 to the Registrant s Quarterly Report on Form 10-Q, file number 1-15967, filed November 14, 2000).
10.24	The Dun & Bradstreet Corporation 2000 Stock Incentive Plan (as amended and restated May 3, 2005) (incorporated by reference to Exhibit 10.1 to the Registrant s Report on Form 8-K, file number 1-15967, filed May 9, 2005).
10.25	2000 Dun & Bradstreet Corporation NonEmployee Directors Stock Incentive Plan, as amended May 3, 2005 (incorporated by reference to Exhibit 10.2 to the Registrant s Report on Form 8-K, file number 1-15967, filed May 9, 2005).
10.26	The Dun & Bradstreet Corporation Nonfunded Deferred Compensation Plan for Non-Employee Directors (as assumed by the Registrant) (incorporated by reference to Exhibit 10.18 to Moody s Corporation Quarterly Report on Form 10-Q, file number 1-14037, filed October 20, 1999).
10.27	Form of Limited Stock Appreciation Rights Agreement (incorporated by reference to Exhibit 10.25 to Moody s Corporation Quarterly Report on Form 10-Q, file number 1-14037, filed August 14, 1998).
10.28	The Dun & Bradstreet Corporation Covered Employee Cash Incentive Plan (incorporated by reference to Exhibit 10.35 to the Registrant s Annual Report on Form 10-K, file number 1-15967, filed February 22, 2001).
10.29	The Dun & Bradstreet Corporation Cash Incentive Plan (incorporated by reference to the Registrant s Annual Report on Form 10-K, file number 1-15967, filed February 21, 2001).
10.30	Form of Detrimental Conduct Agreement (incorporated by reference to Exhibit 10.36 to the Registrant s Annual Report on Form 10-K, file number 1-15967, filed March 4, 2002).

10.31	*	Form of 2000 Dun & Bradstreet Corporation Non-Employee Directors Stock Incentive Plan Restricted Stock Unit Award.
10.32		Key Employees Non-Qualified Deferred Compensation Plan (incorporated by reference to Exhibit 10.2 to the Registrant s Quarterly Report on Form 10-Q, file number 1-15967, filed May 6, 2002).
10.33		Employment Agreement, dated December 31, 2004, between Steven W. Alesio and the Company (incorporated by reference to Exhibit 10.2 to the Registrant s Report on Form 8-K, file number 1-15967, filed January 4, 2005).
10.34		Technology Services Agreement between the Registrant and Computer Sciences Corporation, dated June 27, 2002 (incorporated by reference to Exhibit 10.1 to the Registrant s Quarterly Report on Form 10-Q, file number 1-15967, filed August 13, 2002).
10.35		2006 Non-Employee Director Compensation Program (incorporated by reference to Exhibit 10.1 to the Registrant s Report on Form 8-K, file number 1-15967, filed December 12, 2005).

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Exhibit Number	
10.36	Form of Restricted Share Unit Award Agreement under the 2000 Non-employee Directors Plan (incorporated by reference to Exhibit 10.2 to the Registrant s Report on Form 8-K, file number 1-15967, filed December 8, 2004).
10.37	The Dun & Bradstreet Corporation 2000 Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.36 to the Registrant s Annual Report on Form 10-K, file number 1-15967, filed March 28, 2003).
10.38	Form of Restricted Stock Award Agreement under the 2000 Employee Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to the Registrant s Report on Form 8-K, file number 1-15967, filed March 2, 2005).
10.39	Form of Stock Option Award Agreement under the 2000 Employee Stock Incentive Plan (incorporated by reference to Exhibit 10.2 to the Registrant s Report on Form 8-K, file number 1-15967, filed March 2, 2005).
10.40	Form of Restricted Stock Unit Award Agreement under the 2000 Employee Stock Incentive Plan (incorporated by reference to Exhibit 10.3 to the Registrant s Report on Form 8-K, file number 1-15967, filed March 2, 2005).
10.41	Form of Stock Option Award Agreement under the 2000 Non-employee Directors Plan (incorporated by reference to Exhibit 10.4 to the Registrant s Report on Form 8-K, file number 1-15967, filed March 2, 2005).
10.42	Form of Restricted Stock Unit Award Agreement under the 2000 Non-employee Directors Plan (incorporated by reference to Exhibit 10.5 to the Registrant s Report on Form 8-K, file number 1-15967, filed March 2, 2005).
10.43	Business Process Services Agreement made and effective as of October 15, 2004 by and between the Company and International Business Machines Corporation. This Exhibit has been redacted pursuant to a confidentially request under Rule 24(b)-2 of the Securities Exchange Act of 1934, as amended.
21	**Subsidiaries of the Registrant**
21.1*	Subsidiaries of the Registrant as of December 31, 2005.
23	**Consents of Experts and Counsel**
23.1*	Consent of Independent Registered Public Accounting Firm.
31	**Rule 13a-14(a)/15(d)-14(a) Certifications**
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15(d)-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of

2002.

31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15(d)-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	**Section 1350 Certifications**
32.1*	Certification of Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Filed herewith.
Represents a management contract or compensatory plan.